



Agenda Date: 7/7/04
Agenda Item: 2D

STATE OF NEW JERSEY

Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

DIVISION OF ENERGY

IN THE MATTER OF THE PETITION OF)
SOUTH JERSEY GAS COMPANY FOR)
APPROVAL OF INCREASED BASE TARIFF)
RATES AND CHARGES FOR GAS SERVICE)
AND OTHER TARIFF REVISIONS)

ORDER ADOPTING
STIPULATION AND
INITIAL DECISION

DOCKET NO. GR03080683

IN THE MATTER OF THE PETITION OF)
SOUTH JERSEY GAS COMPANY TO)
IMPLEMENT CERTAIN PROVISIONS OF)
ITS RATE UNBUNDLING STIPULATION)

DOCKET NO. GR00050295

(SERVICE LIST ATTACHED)

BY THE BOARD:

On August 29, 2003, South Jersey Gas Company ("SJG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking: (1) to increase its base tariff rates and charges for gas service by \$52.7 million offset by a gas cost recovery decrease of \$6.6 million; (2) approval to change its depreciation rates from the current composite depreciation rate of 2.86%; and (3) to revise certain other tariff revisions. The Company's filing was based on a test year consisting of the twelve months ending February 29, 2004. After adjusting for Sales and Use Tax, the Company's original request resulted in a proposed increase of 8.7%. During the course of the proceeding, the Company reduced the amount of its requested increase in additional operating revenues from \$52.7 million to \$46.5 million, offset by a gas cost recovery decrease of \$6.6 million.

On September 11, 2003, the Company's filing was transmitted to the Office of Administrative Law ("OAL") as a contested case and assigned to Administrative Law Judge ("ALJ") William Todd Miller.

By Order dated October 23, 2003, the Board suspended the proposed tariff revisions until January 29, 2004.

On April 28, 2000 in Docket No. GR00050295, South Jersey filed a petition seeking Board approval to implement a Capacity Allocation Charge ("CAC"). The portion of that docket addressing the CAC was also transmitted to the Office of Administrative Law.

A prehearing conference was held on October 27, 2003, at which time Docket No. GR03080683 and the CAC portion of Docket No. GR00050295 were consolidated.

On January 26, 2004, the Board further suspended the proposed tariff revisions until May 28, 2004.

Public hearings were held on December 10, 2003 in Voorhees, New Jersey and on June 22, 2004 in Hammonton, New Jersey.

On October 22, 2003, the New Jersey Large Energy Users Coalition ("NJLEUC") filed a motion to intervene. In accordance with the ALJ's Pre-Hearing Order, NJLEUC's Motion for Intervention was granted as unopposed. Subsequently, on January 23, 2004, Shell Energy Services Company, LLC ("Shell Energy") filed a motion to intervene as a party jointly aligned, for purposes of this proceeding, with NJLEUC. By letter dated January 26, 2004, ALJ Miller approved Shell's motion for Intervention if there was no opposition. No one opposed the Shell Motion for Intervention. On March 3, 2004, Accent Energy New Jersey, LLC ("Accent Energy") also filed a motion to intervene in this proceeding. Via an Order dated April 7, 2004, ALJ Miller granted Accent's motion for Intervention.

The parties to this proceeding are South Jersey Gas Company, the Division of Ratepayer Advocate ("RPA"), the Board Staff, NJEUC, Shell Energy and Accent Energy ("the parties"). On numerous occasions, the parties engaged in extensive settlement discussions throughout this proceeding, ultimately resulting in the attached settlement dated June 30, 2004.

The salient points of the Stipulation are as follows:

- ? The Stipulation provides for a base rate increase of \$20.0 million over pro forma test year operating revenues of \$478.9 million, (including SUT), a rate base of \$622.8 million, a return on equity of 10.00% and an overall rate of return of 7.97%.
- ? The \$20 million base rate increase will be offset by: 1) \$3.09 million from the elimination of the Universal Service Fund Interim rate; 2) \$21.68 million related to the elimination of the Gas Cost Under-recovery Adjustment; 3) \$0.73 million for the Transitional Energy Facility rate adjustment; 4) \$6.78 million from the Temperature Adjustment Clause rate reduction; and 5) \$6.64 million from the Basic Gas Supply Service rate reduction roll-in. This total rate reduction of approximately \$38.9 million combined with the \$20 million base rate increase results in a net decrease in rates of \$18.9 million.
- ? The Company's depreciation composite rate will be reduced from 2.86% to 2.24%. The Company will: 1) account for net salvage separately in the depreciation accounts; 2) accrue one twelfth of the \$1,416,816 annual net salvage amount within the accumulated depreciation accounts monthly; 3) charge the actual net salvage costs incurred against those same accounts; and 4) maintain records separately identifying all the net salvage components recorded in each of the accumulated depreciation accounts. The actual net salvage shall include both costs of removal as a debit to accumulated depreciation, and positive salvage as a credit to accumulated depreciation.
- ? The 20/80 sharing formula for all margins on Off-System sales, Interruptible sales and Interruptible Transportation and Off-System and On-System capacity release will now be shared starting with the first dollar earned instead of under the current procedure which allows the Company to retain the first \$7.8 million of margins before the sharing formula

applies. Twenty percent of the margins will be retained by the Company and eighty percent will be credited to ratepayers through the Basic Gas Supply Service ("BGSS") clause. This change will result in an increase credit to the BGSS Clause of \$6.6 million and a BGSS rate reduction of \$0.0313 per therm including taxes. The sharing formula will remain at 20/80 through June 30, 2006. Beginning July 1, 2006, fifteen percent of the margin sharing formula will be retained by the Company and eighty-five percent will be credited to ratepayers through the Company's BGSS clause.

- ? South Jersey will maintain an equity floor of \$289,200,000 for SJG during the period that rates from this proceeding are in effect. The Company will file quarterly reports with the Board and the Division of the Ratepayer Advocate to enable both offices to monitor the Company's equity level.
- ? SJG will seek competitive bids for meter reading services upon expiration of the Company's current contract for metering services with Millennium Account Services on December 31, 2006. The Company agrees to conduct an open and competitive bidding process with the objective of securing meter reading services at the most economical price consistent with safe, adequate and proper service to the Company's customers. SJG will maintain documentation that will permit a full review of the prudence and reasonableness of the bidding process and results in future base rate proceedings and any other appropriate proceedings before the Board.
- ? Miscellaneous service charges related to turn-on, returned bank item and field collection will remain at their current levels.
- ? All issues related to the Company's design day resources including the proper allocation and rate recovery of costs among and within each customer class and as between the Company's BGSS and transportation customers will be reviewed and addressed in a Phase II of this proceeding. Hearings related to these issues are scheduled for September 2004. The parties further agree that the Phase II will not affect the agreement with respect to the Company's margin sharing formula as set forth in this stipulation nor will it affect any of the rates identified under the column "Base Rate" in Appendix A to the Company's tariff. These are the rates which generated the \$20 million revenue increase discussed in Section I of the Stipulation. In order to facilitate resolution of the issues to be addressed in Phase II of these proceedings, the Company will provide to the parties, on a best efforts basis on or before July 16, 2004, but in no event later than July 30, 2004, copies of all documentation in its possession relevant to its decision to request 105,000 dth/day of additional capacity on Transcontinental Gas Pipeline Corporation's Trenton/Woodbury lateral, including the documentation reflecting the consideration of alternatives, and all documentation relevant to potential acquisitions of or other changes in Design Day Resources currently under consideration by the Company.
- ? The General Service – Large Volume Class will be allocated a distribution increase of \$1,046,610, including SUT, or 14 percent. An offset of \$25,779,897 resulting from the rate reductions will be applied.
- ? The General Service Class will be allocated a distribution increase of \$236,025, including SUT, or 11.0 percent. An offset of \$9,831,696 resulting from the rate reductions will be applied.

- ? The Large Volume Class will be allocated a distribution increase of \$531,222, including SUT, or 11.0 percent. An offset of \$2,470,476 resulting from the rate reductions will be applied.
- ? The Comprehensive Transportation Service Class will be allocated a distribution increase of \$236,025, including SUT, or 11.0 percent. An offset of \$120,984 resulting from the rate reductions will be applied.
- ? The Large Volume Service Class will be allocated a distribution increase of \$531,222, including SUT, or 11.0 percent. An offset of \$676,622 resulting from the rate reductions will be applied.
- ? The Firm Electric Service Class ("FES") will be allocated a distribution increase of \$300,209, including SUT or 45.8 percent. An offset of \$44,649 resulting from the rate reductions will be applied.
- ? The Residential Service Gas customer charge will remain unchanged at \$7.25, excluding SUT with an increase to the flat volumetric charge to recover the RSG class' distribution increase of \$12,719,153, excluding SUT, which is a 14% increase on distribution.
- ? The General Service Class ("GSG") will be split into two customer classes, General Service and General Service–Large Volume ("GSG-LV"). Commercial and Industrial customers that use 100,000 therms or more annually will fall into the GSG-LV class. The GSG-LV Rate Schedule will include a demand charge set at \$6.9863 per Mcf of contract demand, excluding SUT (\$6.75 per Dt of contract demand, excluding SUT. The customer charge for the GSG-LV class will be set at \$100.00, excluding SUT. The demand charge implemented as part of the GSG-LV Rate Schedule shall be based upon each customer's average daily usage for the month of highest usage during the preceding twelve months, subject to normalization if appropriate, and shall be updated no less frequently than annually. Contemporaneously with the effectiveness of the GSG-LV Tariff, the Company shall provide written notice to the affected customers explaining the operation of the GSG-LV Tariff and Monthly BGSS Pricing. The Company shall further provide a call-in number which shall be staffed with personnel able to answer questions concerning the new rate schedule.
- ? Monthly BGSS pricing will apply to customers using 100,000 therms or greater per year. The threshold for eligibility for monthly BGSS pricing will reduce to 50,000 therms per year effective July 1, 2006. During the 2005-2006 BGSS proceeding, any party may make a proposal to further reduce the threshold for eligibility for monthly BGSS pricing. Any such additional reduction will be effective with an order emanating from the Company's 2006-2007 BGSS proceeding or earlier if otherwise ordered by the Board.
- ? The Economic Development Rider (EDR) (Rider "H") will remain in place as is. Discussions on modifying the EDR will continue within six months of the date of the Board Order approving this stipulation.
- ? The Electric Generation Service ("EGS") and Electric Generation Service – Large Volume ("EGS – LV") Rate Schedules were created to allow a broader array of eligibility criteria than the predecessor Large Volume Cogeneration Service ("LVCS") Rate Schedule which is being eliminated. The new rate schedules will complement the revised FES rate schedule. The three rate schedules will be available to any customer

who generates electricity and has a specific daily contract demand. To be eligible for the FES Rate Schedule, a customer must have a daily contract demand greater than 1,000 Mcf per day. Those customers with a daily contract demand greater than 200 Mcf per day will be eligible for the Electric Generation Service – Large Volume rate schedule. Generators with a daily contract demand of less than 200 Mcf per day, will be placed on the BGS rate schedule.

- ? Relative to the TAC, the Company will amend the Tariff to include an alternative provision if a NOAA Temperature Recording station becomes inoperable.
- ? A Fifty Dollar (\$50.00) per Mcf charge for failure to adhere to an OFO will be added to the Tariff.
- ? Line loss percentage will increase from 2.19 to 2.80.
- ? The Firm Market Adjustment Provision will remain in effect. If the Company offers a discount under the Market Adjustment provision, then it must provide notice to the Staff and the Ratepayer Advocate that such an adjustment was made. The notice shall be provided in the BGSS proceeding or base rate proceeding immediately following the offering of such discount, whichever is sooner. The notice shall contain the Company's justification for offering such discount. If the Company seeks to recover lost revenues arising from the offering of such discount in a future base rate proceeding, it shall explain the justification for the recovery of such lost revenues.
- ? The Firm Market Volumetric Charge will continue for FES customers, and no other rate class.
- ? Negotiated rates will be accepted in the EGS-LV and FES Rate Schedules based upon the following conditions: (1) these rate schedules will contain benchmark rates equivalent to the same rates as are currently contained in the LVCS Rate Schedule and FES Rate Schedule. Those rates which are negotiated off the benchmark rates will be subject to the same percentage changes that benchmark rates are subject to through appropriate base rate proceedings. Provided, however, that such agreements may provide that these same percentage changes will not apply, if the Company provides justification for such non-applicability, and the Board finds it to be reasonable; (2) The Company and a potential customer are free to negotiate for higher or lower rates than the benchmark rates; (3) If the Customer does not negotiate rates, the benchmark rates will apply; (4) If the benchmark rates apply, the Customer will be subject to all future rate increases approved by the Board; (5) The rate schedules will provide that for all new customers, all non-bypassable charges (including taxes if statutorily applicable), and any increases and decreases to any non-bypassable charges (including taxes, if statutorily applicable) will apply. Existing customers will be subject to all non-bypassable charges and increases thereto including taxes, as required by Electric Discount and Energy Competition Act ("EDECA"); (6) The Company cannot discount taxes; (7) All agreements for rates other than benchmark rates shall require submission to the Board for approval; (8) The standards for approval will include whether or not the negotiated rates provide for an adequate recovery of capital, marginal and embedded costs; (9) Agreements for rates other than benchmark rates will be for terms of five years or less. Provided, however, that such agreements may be for greater than five years if the Company provides justification for the extended term and the Board finds it to be reasonable; and (10) The agreements, as well as justification for the agreements, and any discovery

related to the agreements, may be submitted to the Board on a confidential basis subject to the requirements of the Open Public Records Act and the Board's regulations.

- ? Rate Schedule EGS-LV will provide that customers, who have previously executed a Standard Gas Service Agreement, shall continue from and after July 6, 2004 and for as long as such previously executed Standard Gas Service Agreement (LVCS) shall remain in effect, to be charged in accordance with the terms of the existing Standard Gas Service Agreement (LVCS) and any addenda or amendments thereto. In this regard, such customers shall continue to be charged the LVCS D-1 and C-3 rates now charged by the Company, pursuant to existing Standard Gas Service Agreement (LVCS), and any addenda or amendments thereto, until such customers no longer receive service pursuant to such Standard Gas Service Agreements (LVCS) and any addenda or amendments thereto. This Special Provision (k) shall be applicable to those Standard Gas Service Agreements (LVCS), and any addenda or amendments thereto in existence prior to August 29, 2003.
- ? As of July 6, 2004, only one customer was receiving service under this Rate Schedule FES. Notwithstanding any other provision of this Rate Schedule FES, that customer's existing Standard Gas Service Agreement ("FES"), and amendments and addenda thereto (the "Existing Agreement") will continue in effect without modification to its terms or the rates paid. The Existing Agreement will only remain in effect if on or before August 16, 2004, the Company files a new Standard Gas Service Agreement ("FES") (the "Replacement Agreement") for approval by the Board. If the Replacement Agreement is not filed on or before August 16, 2004, then the FES customer will be invoiced at the Benchmark rates contained in this Rate Schedule FES. If the Replacement Agreement is filed on or before August 16, 2004, then the Existing Agreement will remain in effect, until the Board acts upon the Replacement Agreement.
- ? Each year, SJG will hold an "open season" for capacity assignment to LVS customers. The methodology which the Company will utilize to determine the specific amounts, and the specific pipeline or pipelines subject to the "open season" will be developed by the parties after acceptance of the Stipulation. Capacity to be assigned will include capacity for one year periods at prices consistent with FERC regulations. (The open season may contain capacity priced at higher than FERC tariff rates, if FERC regulations permit). The notice of open season will specify: (1) quantities of capacity available; (2) pipelines on which the capacity is available; and (3) renewal and recall rights applicable to the capacity. The capacity made available will be a mix of capacity from the Company's portfolio. The capacity will carry with it renewal rights, but will be subject to recall, or termination at the end of each yearly term, if necessary to meet the Company's design day or other operating requirements. Capacity assignments will be terminable unless renewed ninety (90) days before the end of the term.
- ? Capacity assignments from the "open season" will only be eligible for two consecutive renewals, after which capacity will be returned to the Company's portfolio, and the LVS customer who received the capacity assignment may then participate in an "open season."
- ? The two LVS customers currently receiving capacity assignment will be allocated their existing capacity simultaneously with the first "open season." These allocations will be subject to all of the terms and conditions of the "open season."
- ? Customers may also acquire capacity from the Company outside of the "open season."

- ? Assignment of storage capacity will not be part of the “open season.” However, the parties will attempt to develop a methodology to make assignments of “virtual” storage capacity available to LVS customers who receive pipeline capacity during the “open season”. The pricing of virtual storage capacity is to be determined. To the extent permitted by law, such pricing will be established at a level not less than South Jersey’s weighted average cost of storage capacity.
- ? The parties will meet subsequent to acceptance of the Phase I Stipulation, to resolve the details of the above-listed capacity assignment issues.
- ? All capacity assignment will be subject to margin sharing.
- ? SJG will make available for assignment interstate pipeline capacity based upon a mix of its portfolio, and “virtual” interstate storage capacity to marketers. The objective would be to conduct an assignment process in a manner that is competitively neutral as among third party suppliers and the Company as BGSS supplier. The methodology which the Company will utilize to determine the specific amounts, and the specific pipeline or pipelines, available for assignment will be developed by the parties after acceptance of this Stipulation. Discussions shall consider the flexibility of the method to accommodate changes in customer switching rates. The objective of these assignments will be to allow marketers to render service similar in quality and character of security of supply to South Jersey.
- ? The assignment will only be made to a marketer that has acquired residential or commercial and Industrial customers.
- ? The capacity will be assigned based upon the requirements of residential, commercial and industrial customers served by the marketer. If, for any reason, customers return to BGSS service provided by South Jersey, the capacity utilized to serve the returning customers will revert back to South Jersey.
- ? South Jersey will assign capacity pursuant to appropriate agreements, in quantities that can be periodically adjusted if appropriate to reflect customer needs and load profiles. The parties will meet to discuss whether, and under what conditions, other adjustments may be made during the year.
- ? The parties will meet during the Phase II of this proceeding in order to develop, inter alia, the following: (1) appropriate durations, terms and conditions of marketer capacity assignment agreements; (2) appropriate conditions pursuant to which marketer capacity assignment agreements will be replaced or terminated; (3) a planning process pursuant to which South Jersey will acquire future interstate pipeline and storage capacity additions; and (4) a methodology for allocating the costs of Design Day Resources including interstate pipeline and storage capacity among and within customer classes.
- ? South Jersey will only assign pipeline and virtual storage capacity subject to recall rights. It is intended that recall rights may be exercised only in exigent circumstances. The parties will meet to define exigent circumstances, which definition will be based upon the necessity that marketers and South Jersey provide reliable service to firm customers.
- ? Marketers to whom pipeline capacity is assigned will not be restricted from remarketing pipeline capacity. This provision is intended to allow marketers to remarket pipeline

capacity that becomes available as customer load changes from month-to-month. Assigned "virtual" storage capacity may not be remarketed.

- ? The parties will meet following acceptance of this Stipulation to develop the details of marketer pipeline and virtual storage capacity assignment to marketers. It is the parties' expectation that all stakeholders will derive competitive and/or financial benefits from the capacity assignment program adopted by this Stipulation, and that the cost of the pipeline capacity assigned under the program will reflect prices that are no higher than the prevailing FERC maximum rates applicable to the assigned capacity.
- ? All capacity assignment will be subject to margin sharing.
- ? The Company may amortize the following expenses for periods not exceeding: 3 years – rate case expenses associated with this rate case, 2 years – year 2000 competitive services audit, and 2 years – year 2002 competitive services audit.
- ? Unamortized issuance costs and call premiums associated with the following retired instruments may be amortized over the lives of bonds issued to replace those instruments: 9% Bond due 2010, 10.25% Bond due 2008, 6.95% Bond due 2013, and 8.35% Preferred Trust Securities due 2037.
- ? The parties hereto agree that the Tariff attached hereto as Exhibit C is just and reasonable, and should be accepted by the Board effective with an order accepting this Stipulation.

On July 1, 2004 ALJ Miller issued an Initial Decision approving the Partial Stipulation in its entirety. The ALJ found that: (1) the Parties have voluntarily agreed to the Stipulation: and (2) the Stipulation fully disposes of all issues in controversy and is consistent with the law.

DISCUSSION AND FINDINGS

Having reviewed the Stipulation and the Initial Decision, the Board is satisfied that the Stipulation represents a fair and reasonable resolution of the issues and is in the public interest. The Board notes that the proposed Stipulation is the result of intense negotiations among the parties and is responsive to and balances the respective needs of both the utility and its customers. Accordingly, the Board **HEREBY ADOPTS** the attached Stipulation and Initial Decision as its own, and incorporates their provisions herein, as if they were fully set forth herein, effective on the date of this Order.

The Board **HEREBY DIRECTS** the Parties to comply with the terms and conditions incorporated within the Stipulation.

The Board **HEREBY APPROVES** the revised tariff sheets attached to the Stipulation as Exhibit C, for service rendered on and after the date of this Order.

The Stipulation shall not affect the Board's authority in connection with any Board-ordered audit, including without limitation: (1) the matter entitled In the Matter of Consultant's Reports Regarding the Audits of the Competitive Service Offerings of South Jersey Gas Company, Docket No. GA02020101; (2) the matter entitled In the Matter of the Petition of South Jersey Gas Company for Authorization to Transfer its Appliance Service Business to a Newly Created Company, and in connection therewith for (a) Approval of Associated Service Agreements Pursuant to N.J.S.A. 48:3-7.1; (b) Waiver of the Advertising and Bidding Requirements of

N.J.A.C. 14:1-5.6; and (c) Authorization to Withdraw Appendix B from South Jersey Gas Company's Tariff, Docket No. GM02080609; or (3) the matter entitled In the Matter of the Focused Audit on Affiliated Transactions between South Jersey Gas Company and South Jersey Industries and its Affiliates and Management Audit of South Jersey Gas Company, Pursuant to N.J.S.A. 48:2-16.4, Docket No. AX04040277 This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

DATED: **July 8, 2004**

BOARD OF PUBLIC UTILITIES
BY:

SIGNED

JEANNE M. FOX
PRESIDENT

SIGNED

FREDERICK F. BUTLER
COMMISSIONER

SIGNED

CAROL J. MURPHY
COMMISSIONER

SIGNED

CONNIE O. HUGHES
COMMISSIONER

SIGNED

JACK ALTER
COMMISSIONER

ATTEST:

SIGNED

KRISTI IZZO
SECRETARY

**SOUTH JERSEY GAS COMPANY
FOR APPROVAL OF INCREASED BASE TARIFF RATES
AND CHARGES FOR GAS SERVICE
BPU DOCKET NO. GR03080683
BPU DOCKET NO. GR00050295**

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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF	:	BPU DOCKET NO. GR03080683
SOUTH JERSEY GAS COMPANY FOR	:	OAL DOCKET NO. PUC 6695-03
APPROVAL OF INCREASED BASE TARIFF	:	
RATES AND CHARGES FOR GAS SERVICE	:	
AND OTHER TARIFF REVISIONS	:	
AND	:	BPU DOCKET NO. GR00050295
IN THE MATTER OF THE PETITION OF	:	
SOUTH JERSEY GAS COMPANY TO	:	PARTIAL
IMPLEMENT CERTAIN PROVISIONS OF	:	STIPULATION
ITS RATE UNBUNDLING STIPULATION	:	

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF	:	BPU DOCKET NO. GR03080683
SOUTH JERSEY GAS COMPANY FOR	:	OAL DOCKET NO. PUC 6695-03
APPROVAL OF INCREASED BASE TARIFF	:	
RATES AND CHARGES FOR GAS SERVICE	:	
AND OTHER TARIFF REVISIONS	:	
AND	:	
IN THE MATTER OF THE PETITION OF	:	BPU DOCKET NO. GR00050295
SOUTH JERSEY GAS COMPANY TO	:	
IMPLEMENT CERTAIN PROVISIONS OF	:	PARTIAL
ITS RATE UNBUNDLING STIPULATION	:	STIPULATION

APPEARANCES

Ira G. Megdal, Esquire (Cozen O'Connor, attorneys) for South Jersey Gas Company ("Petitioner")

Felicia Thomas Friel, Deputy Ratepayer Advocate, Sarah H. Steindl, Deputy Ratepayer Advocate, Kurt S. Lewandowski, Assistant Deputy Ratepayer Advocate, and Elaine A. Kaufmann, Assistant Deputy Ratepayer Advocate, on behalf of the Division of the Ratepayer Advocate ("Ratepayer Advocate")

Margaret Comes, Esquire, Deputy Attorney General, and Babette Tenzer, Esquire, Deputy Attorney General, on behalf of the Staff of the Board of Public Utilities ("Staff")

Steven S. Goldenberg, Esquire (Greenbaum, Rowe, Smith, Ravin, Davis & Himmel, LLP, attorneys) and Paul F. Forshay, Esquire (Sutherland, Asbill & Brennan, LLP, attorneys) for the New Jersey Large Energy Users Coalition ("NJLEUC") and for Shell Energy Services Company, L.L.C. ("Shell")

Kenneth T. Maloney, Esquire (Cullen and Dykman Bleakley Platt, LLP, attorneys) for Accent Energy New Jersey, LLC

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

PROCEDURAL HISTORY

The proceeding in BPU Docket No. GR03080683 was commenced by the filing of a base rate Petition on August 29, 2003 by South Jersey Gas Company ("South Jersey", "Petitioner" or "Company"). By said Petition, South Jersey sought authorization to increase certain of its base tariff rates and charges by \$52.7 million offset by a gas cost recovery decrease of \$6.6 million, and to

amend certain other provisions contained in its Tariff for Gas Service, BPU N.J. No. 7 - Gas. By Order dated October 23, 2003, the New Jersey Board of Public Utilities ("Board") suspended the Tariff provisions until January 29, 2004. By Order dated January 26, 2004, the Board further suspended the Tariff provisions until May 28, 2004. During the course of the proceeding, the Company reduced the amount of its requested increase in additional operating revenues from \$52.7 million to \$46.5 million, offset by a gas cost recovery decrease of \$6.6 million.

The matter was transmitted to the Office of Administrative Law as a Contested Case, and was assigned to Administrative Law Judge W. Todd Miller.

The proceeding in Docket No. GR00050295 was commenced by the filing of a Petition on April 28, 2000 by the Company. The Company's proposal as part of that docket to implement a Capacity Allocation Charge ("CAC") was transmitted to the Office of Administrative Law as a Contested Case and was assigned to Judge Miller.

Judge Miller convened a prehearing conference on October 27, 2003, and issued a Prehearing Order dated October 31, 2003. The Prehearing Order consolidated the two proceedings, established the issues to be litigated in these cases, and established a procedural schedule.

After notice was published in newspapers of general circulation within Petitioner's service territory and duly filed with the appropriate municipal and county clerks and county executives within the territory, a public hearing was held at Voorhees, New Jersey on December 10, 2003. A second public hearing was held on June 22, 2004 at Hammonton, New Jersey. Evidentiary hearings were scheduled to commence May 5, 2004. However, settlement discussions leading to the agreement expressed in this Stipulation obviated the need for those hearings.

Participants in this proceeding include the Petitioner; the Division of the Ratepayer Advocate (“RPA”); the Staff of the Board (“Staff”); the New Jersey Large Energy Users Coalition (“NJLEUC”); Shell Energy (“Shell”); and Accent Energy New Jersey LLC (“the Parties”).

In addition to the formal hearing procedure, numerous settlement and discovery conferences were held among the parties. Numerous discovery requests were propounded and answered by the parties. As a result of these proceedings, the parties hereto agree as follows:

I. REVENUE REQUIREMENT

Base rates adopted in this case are designed to produce operating revenues of \$498.9 million. This represents a base rate increase of \$20.0 million over proforma test year operating revenues of \$478.9 million.

The revenue increase of \$20 million is calculated as follows:

Rate Base Test Year Ended February 2004	\$622,814,951
Overall Rate of Return	<u>7.97%</u>
Required Operating Income	\$ 49,638,352
Net Operating Income Test Year Ended February 2004	<u>\$ (38,588,628)</u>
Income Deficiency	\$ 11,049,724
Revenue Factor	<u>1.81</u>
Revenue Requirement	<u><u>\$ 20,000,000</u></u>

The overall rate of return of 7.97% is derived from the following capital structure, which is adopted for use in this Stipulation:

<u>Capital Components</u>	<u>Ratio %</u>	<u>Cost Rate %</u>	<u>Weighted Cost Rate %</u>
Short term debt	7.46%	3.00%	0.22%
Long term debt	46.26%	6.76%	3.13%
Preferred stock	0.28%	8.03%	0.02%
Common equity	<u>46.00%</u>	10.00%	<u>4.60%</u>
	100.00		7.97 %

II. NET RATE REDUCTION

The \$20.0 million base rate increase will be offset by approximately \$38.9 million of rate decreases, effective on the date of the Board Order approving this Stipulation by the Board, yielding a net rate decrease of \$18.9 million, before the pending USF increase. These rate decreases will consist of the following:

- A. Elimination of Universal Service Fund ("USF") Interim Rate - \$3,094,318.
- B. Elimination of Gas Cost Underrecovery Adjustment ("GCUA") - \$21,684,854.
- C. Transitional Energy Facility Assessment ("TEFA") rate adjustment - \$737,626.
- D. Temperature Adjustment Clause ("TAC") rate reduction - \$6,781,814.
- E. Basic Gas Supply Service ("BGSS") rate reduction from roll-in - \$6,644,724
(\$7,820,900 x 80% x 1.06% x 1.0019%)

The explanation of these rate reductions is contained on Exhibit A attached to this Stipulation.

III. EFFECTIVE DATE

The parties recommend that the New Jersey Board of Public Utilities issue an order accepting this Stipulation, and making the base rate increase emanating from this Stipulation and the offsetting rate decreases effective on the date of the Board Order approving this Stipulation.

IV. DEPRECIATION

The Company will reduce depreciation rates from the current composite rate of 2.86% to 2.24%. Attached as Exhibit B is a schedule showing the depreciable group rates supporting the composite rate of 2.24%. Exhibit B also reflects the Stipulated Annual Net Salvage Allowance of \$1,416,816, which will be separately accounted for in the future. This Net Salvage Allowance combined with the 2.24% composite rate, yields the effective depreciation composite rate of 2.41%. The most significant change in the composite rate stems from the reduction in the rate for distribution plant services from 3.32% to 2.00%.

South Jersey will separately account for net salvage in the accumulated depreciation accounts. South Jersey will accrue one-twelfth of the Stipulated Annual Net Salvage Allowance of \$1,416,816 within the accumulated depreciation accounts each month and charge actual net salvage costs incurred against those same accounts. The actual net salvage shall include both costs of removal as a debit to accumulated depreciation, and positive salvage as a credit to accumulated depreciation. Records will be maintained by the Company separately identifying all components of net salvage contained in each of the accumulated depreciation accounts.

V. MARGIN SHARING

Under the Company's current Tariff, the first \$7.8 million of margins generated annually by Off-System sales and Interruptible Sales and Interruptible Transportation are retained by the Company. Effective with the Board Order issued in this proceeding, all margins from Off-System Sales, Interruptible Sales, Interruptible Transportation and Off-System and On-System Capacity Release will be shared from the first dollar on the 20/80 profit sharing formula with 20% being retained by the Company and 80% being credited to the ratepayers through the BGSS clause. This

will result in an increased credit to the BGSS Clause of \$6.6 million, resulting in a BGSS rate reduction of approximately \$.0313 per therm (including taxes).

As used herein "On-System" shall mean transactions directly with South Jersey Gas Company customers. "Off-System" shall mean all other transactions.

The Company's sharing formula will remain at 20/80 through June 30, 2006. Commencing July 1, 2006, the sharing formula shall become 15/85 (with 15% being retained by the Company and 85% being credited to the ratepayers through the BGSS clause).

VI. EQUITY FLOOR

South Jersey will maintain an equity floor of \$289,200,000 for South Jersey Gas Company during the period that rates set in this proceeding are in effect. South Jersey will submit quarterly reports to the Board and the Ratepayer Advocate for the purpose of monitoring South Jersey Gas Company's equity level.

VII. METER READING SERVICES

South Jersey Gas Company will request competitive bids for meter reading services at the expiration of its current contract with Millennium Account Services on December 31, 2006. The Company agrees to conduct an open and competitive bidding process with the objective of securing meter reading services at the most economical price consistent with safe, adequate and proper service to the Company's customers. The Company will maintain documentation that will permit full review of the prudence and reasonableness of the bidding process and results in future base rate proceedings and any other appropriate proceedings before the Board.

VIII. MISCELLANEOUS SERVICE CHARGES

Miscellaneous service charges related to turn-on, returned bank item and field collection will remain at their current levels.

IX. ALLOCATION AND RECOVERY OF COSTS OF DESIGN DAY RESOURCES

The parties agree that issues relating to the proper allocation and the recovery of costs of the Company's design day resources ("Design Day Resources") will be addressed as a Phase II of these consolidated proceedings. Hearings related to these issues are scheduled for September, 2004. The parties understand and agree that all issues relating to the proper allocation of the costs of the Design Day Resources, among customer classes and within each customer class, as well as the development of a rate mechanism or mechanisms to recover such costs from the appropriate customers, will be under review in connection with this Phase II. Therefore, nothing in this settlement is intended to preclude a party from asserting any position with regard to the allocation or recovery of the costs of the Company's Design Day Resources to or within any particular class or classes. Provided, however, that this Phase II will not affect the agreement with respect to the Company's margin sharing formula set forth in Section V of this Stipulation. Further provided, that this Phase II will not affect any of the rates identified under the column "Base Rate" in Appendix A to the Company's Tariff. These are the rates which generated the \$20 million revenue increase discussed in Section I of this Stipulation.

The parties contemplate that the purpose of the Phase II proceedings will be to assure the proper allocation of the costs of the Company's Design Day Resources among customer classes, and as between the Company's BGSS and transportation customers. The Phase II proceedings may or may not result in the allocation to and recovery of costs from transportation customers, irrespective of whether they or their suppliers of commodity service take assignments of capacity as provided in Sections XI and XII of this Stipulation. The Phase II proceedings will involve an examination of the criteria which have guided in the past and should guide in the future the Company's design day planning process.

In order to facilitate resolution of the issues to be addressed in Phase II of these proceedings, the Company will provide to the parties, on a best efforts basis on or before July 16, 2004, but in no event later than July 30, 2004, copies of all documentation in its possession relevant to its decision to request 105,000 Dt/day of additional capacity on Transcontinental Gas Pipeline Corporation's Trenton/Woodbury lateral, including the documentation reflecting the consideration of alternatives, and all documentation relevant to potential acquisitions of or other changes in Design Day Resources currently under consideration by the Company. This documentation will include, to the extent that the same exists, any memoranda, studies, reports, presentations, analyses or other documentation.

X. TARIFF AND RATE DESIGN ISSUES

The parties agree to the following tariff and rate design issues:

- A. The parties agree that the Residential Service Gas ("RSG") rate class will receive less than the system average increase and no change to its customer charge. The Residential Service Gas class will be allocated a distribution increase of \$13,482,303, including SUT, (\$12,719,153 when excluding SUT) or 14.0 percent. The distribution rate increase to the residential class will be offset by a \$25,779,897 (including SUT) rate reduction resulting from the elimination of the USF Interim and GCUA rates, an adjustment to the TEFA rates, and BGSS and TAC rate reductions.
- B. The General Service ("GSG") Class will be allocated a distribution increase of \$4,404,831, including SUT, (\$4,155,501 when excluding SUT) or 18.4 percent. The distribution rate increase to the GSG class will be offset by a \$9,831,696 (including SUT) rate reduction resulting from the elimination of the USF Interim and GCUA rates, an adjustment to the TEFA rates, and a BGSS and TAC rate reduction.
- C. The General Service – Large Volume ("GSG-LV") Class will be allocated a distribution increase of \$1,046,610, including SUT, (\$987,368 when excluding SUT) or 18.4 percent. The distribution rate increase to the GSG-LV class will be offset by a \$2,470,476 (including SUT) rate reduction resulting from the elimination of the USF Interim and GCUA rates, an adjustment to the TEFA rates, and a BGSS and TAC rate reduction.
- D. The Comprehensive Transportation Service Class ("CTS") will be allocated a distribution increase of \$236,025, including SUT, (\$222,665 when excluding SUT) or 11.0 percent. The distribution rate increase to the CTS will be offset by a \$120,984 rate reduction resulting from the elimination of the USF Interim Rate.

- E. The Large Volume Service Class ("LVS") will be allocated a distribution increase of \$531,222, including SUT, (\$501,152 when excluding SUT) or 11.0 percent. The distribution rate increase to the LVS class will be offset by a \$676,622 rate reduction resulting from the elimination of the USF Interim Rate.
- F. The Firm Electric Service Class ("FES") will be allocated a distribution increase of \$300,209, including SUT (\$283,216 when excluding SUT) or 45.8 percent. The distribution rate increase to the FES will be offset by a \$44,649 rate reduction resulting from the elimination of the USF Interim Rate.
- G. The RSG customer charge will remain unchanged at \$7.25, excluding SUT, with an increase to the flat volumetric charge to recover the RSG class' distribution increase of \$12,719,153, excluding SUT, which is a 14.0% increase on distribution.
- H. The General Service Gas Class ("GSG") will be split into two Customer Classes, General Service (GSG) and General Service – Large Volume (GSG-LV). Commercial and Industrial Customers that use 100,000 therms or more annually will fall into the GSG-LV class. The GSG-LV Rate Schedule will include a demand charge set at \$6.9863 per Mcf of contract demand, excluding SUT, (\$6.7500 per DT of contract demand, excluding SUT). The GSG-LV customer charge will be set at \$100.00, excluding SUT. The demand charge implemented as part of the GSG-LV Rate Schedule shall be based upon each customer's average daily usage for the month of highest usage during the preceding twelve months, subject to normalization if appropriate, and shall be updated no less frequently than annually. Contemporaneously with the effectiveness of the GSG-LV Tariff, the Company shall provide written notice to the affected customers explaining the operation of the GSG-LV Tariff and Monthly BGSS pricing. The Company shall further provide a call-in number which shall be staffed with personnel able to answer questions concerning the new rate schedule.
- I. Monthly BGSS pricing will apply to customers using 100,000 therms or greater per year. The threshold for eligibility for monthly BGSS pricing will reduce to 50,000 therms per year effective July 1, 2006. During the 2005-2006 BGSS proceeding, any party may make a proposal to further reduce the threshold for eligibility for monthly BGSS pricing. Any such additional reduction will be effective with an order emanating from the Company's 2006-2007 BGSS proceeding or earlier if otherwise ordered by the Board.
- J. The Economic Development Rider ("EDR") Rider "H" will remain in place as is. Discussions on modifying the EDR will commence within six months of the date of the Board Order approving this Stipulation.
- K. The Electric Generation Service ("EGS") and Electric Generation Service- Large Volume ("EGS-LV") Rate Schedules were created to allow for a broader array of eligibility criteria than the predecessor Large Volume Cogeneration Service ("LVCS") Rate Schedule which is being eliminated. The new rate schedules will complement

the revised FES rate schedule. The three rate schedules will be available to any customer who generates electricity and has a specific daily contract demand. To be eligible for the FES Rate Schedule, a customer must have a daily contract demand greater than 1,000 Mcf per day. Those customers with a daily contract demand greater than 200 Mcf per day will be eligible for the EGS-LV rate schedule. Generators with a daily contract demand of less than 200 Mcf per day, will be placed on the EGS rate schedule.

- L. All tariff changes, including those referenced in this Section, are set forth in Exhibit C to this Stipulation. The Parties agree that this Exhibit C should be accepted effective with an Order accepting this Stipulation.
- M. Relative to the TAC, the Company will amend the Tariff to include an alternative provision if a NOAA Temperature Recording station becomes inoperable.
- N. A Fifty Dollar (\$50.00) per Mcf charge for failure to adhere to an OFO will be added to the Tariff.
- O. Line loss percentage will increase from 2.19 to 2.80 .
- P. Firm Market Adjustment Provision
 - (1) The Market Adjustment provision will remain in effect.
 - (2) If the Company offers a discount under the Market Adjustment provision, then it must provide notice to the Staff and the RPA that such an adjustment was made.
 - (3) The notice shall be provided in the BGSS proceeding or base rate proceeding immediately following the offering of such discount, whichever is sooner.
 - (4) The notice shall contain the Company's justification for offering such discount.
 - (5) If the Company seeks to recover lost revenues arising from the offering of such discount in a future base rate proceeding, it shall explain the justification for the recovery of such lost revenues.
- Q. Firm Market Volumetric Charge ("FMVC")
 - (1) The FMVC will continue for FES customers, and no other rate class.
- R. Negotiated rates will be accepted in the EGS-LV and FES Rate Schedules, based upon the following conditions:
 - (1) These rate schedules will contain "benchmark" rates. These "benchmark" rates will be, where applicable, the same rates as are currently contained in the LVCS Rate Schedule and FES Rate Schedule. Those rates which are negotiated off of the benchmark rates will be subject to the same percentage changes

that benchmarks rates are subject to through appropriate base rate proceedings. Provided, however, that such agreements may provide that these same percentage changes will not apply, if the Company provides justification for such non-applicability, and the Board finds it to be reasonable.

(2) The Company and a potential customer are free to negotiate higher or lower rates than the “benchmark” rates.

(3) If the customer does not negotiate rates, the benchmark rates will apply.

(4) If the benchmark rates apply, the Customer will be subject to all future rate increases approved by the Board.

(5) The rate schedules will provide that for all new customers, all non-bypassable charges (including taxes if statutorily applicable), and any increases and decreases to any non-bypassable charges (including taxes if statutorily applicable) will apply. Existing customers will be subject to all non-bypassable charges and increases thereto including taxes as required by the Electric Discount and Energy Competition Act “EDECA”.

(6) The Company cannot discount taxes.

(7) All agreements for rates other than the “benchmark” rates will require submission to the Board for approval.

(8) The standards for approval will include whether or not the negotiated rates provide for an adequate recovery of capital, marginal and embedded costs.

(9) Agreements for rates other than “benchmark” rates will be for terms of five (5) years or less. Provided, however, that such agreements may be for greater than five (5) years if the Company provides justification for the extended term and the Board finds it to be reasonable.

(10) The agreements, as well as justification for the agreements, and any discovery related to the agreements, may be submitted to the Board on a confidential basis subject to the requirements of the Open Public Records Act (“OPRA”) and the Board’s regulations.

S. Rate Schedule Electric Generation Service – Large Volume (“EGS-LV”) will provide that customers who have previously executed a Standard Gas Service Agreement (LVCS) shall continue, from and after July 6,, 2004, and for as long as such previously executed Standard Gas Service Agreement (LVCS) shall remain in effect, to be charged in accordance with the terms of the existing Standard Gas Service Agreement (LVCS), and any addenda or amendments thereto. In this regard, such customers shall continue to be charged the LVCS D-1 and C-3 rates now charged by the Company, pursuant to existing Standard Gas Service Agreements (LVCS), and any addenda or amendments thereto, until such customers no longer receive service pursuant to such

Standard Gas Service Agreements (LVCS), and any addenda or amendments thereto. This Special Provision (k) shall be applicable to those Standard Gas Service Agreements (LVCS), and any addenda or amendments thereto in existence prior to August 29, 2003.

- T. A Special Provision will be added to Rate Schedule FES, providing as follows:

As of July 6, 2004, only one customer was receiving service under this Rate Schedule FES. Notwithstanding any other provision of this Rate Schedule FES, that customer's existing Standard Gas Service Agreement ("FES"), and amendments and addenda thereto (the "Existing Agreement") will continue in effect without modification to its terms or the rates paid. The Existing Agreement will only remain in effect if on or before August 16, 2004, the Company files a new Standard Gas Service Agreement ("FES") (the "Replacement Agreement") for approval by the Board. If the Replacement Agreement is not filed on or before August 16, 2004, then the FES customer will be invoiced at the Benchmark rates contained in this Rate Schedule FES. If the Replacement Agreement is filed on or before August 16, 2004, then the Existing Agreement will remain in effect, until the Board acts upon the Replacement Agreement.

XI. CAPACITY ASSIGNMENT ISSUES

- A. Each year, the Company will hold an "open season" for capacity assignment to LVS customers.

1. The methodology which the Company will utilize to determine the specific amounts, and the specific pipeline or pipelines subject to the "open season" will be developed by the parties after acceptance of this Stipulation.
2. Capacity to be assigned will include capacity for one year periods at prices consistent with FERC regulations. (The open season may contain capacity priced at higher than FERC tariff rates, if FERC regulations permit.)
3. The notice of the open season will specify:
 - a) Quantities of capacity available;
 - b) Pipelines on which the capacity is available;
 - c) Renewal and recall rights applicable to the capacity.
4. The capacity made available will be a mix of capacity from the Company's portfolio.

5. The capacity will carry with it renewal rights, but will be subject to recall, or termination at the end of each yearly term, if necessary to meet the Company's design day or other operating requirements.
 6. Capacity assignments will be terminable unless renewed ninety (90) days before the end of the term.
- B. Capacity assignments from the "open season" will only be eligible for two (2) consecutive renewals, after which capacity will be returned to the Company's portfolio, and the LVS customer who had received the capacity assignment may then participate in an "open season."
 - C. The two LVS customers currently receiving capacity assignment will be allocated their existing capacity simultaneously with the first "open season." These allocations will be subject to all of the terms and conditions of the "open season."
 - D. Customers may also acquire capacity from the Company outside of the "open season."
 - E. Assignment of storage capacity will not be part of the "open season." However, the parties will attempt to develop a methodology to make assignments of "virtual" storage capacity available to LVS customers who receive pipeline capacity during the "open season". The pricing of virtual storage capacity is to be determined. To the extent permitted by law such pricing will be established at a level not less than South Jersey's weighted average cost of storage capacity.
 - F. The parties will meet subsequent to acceptance of the Phase I stipulation, to resolve the details of the above-listed capacity assignment issues.
 - G. All capacity assignment will be subject to margin sharing.

XII. MARKETER CAPACITY ASSIGNMENT ISSUES

- A. South Jersey will make available for assignment interstate pipeline capacity based upon a mix of its portfolio, and "virtual" interstate storage capacity to marketers. The objective would be to conduct an assignment process in a manner that is competitively neutral as among third party suppliers and the company as BGSS supplier. The methodology which the Company will utilize to determine the specific amounts, and the specific pipeline or pipelines, available for assignment will be developed by the parties after acceptance of this Stipulation. Discussions shall consider the flexibility of the method to accommodate changes in customer switching rates. The objective of these assignments will be to allow marketers to render service similar in quality and character of security of supply to South Jersey.
- B. The assignment will only be made to a marketer that has acquired residential or C&I customers.

- C. The capacity will be assigned based upon the requirements of residential and C&I customers served by the marketer. If, for any reason, customers return to BGSS service provided by South Jersey, the capacity utilized to serve the returning customers will revert back to South Jersey.
- D. South Jersey will assign capacity pursuant to appropriate agreements, in quantities that can be periodically adjusted if appropriate to reflect customer needs and load profiles. The parties will meet to discuss whether, and under what conditions, other adjustments may be made during the year.
- E. The parties will meet during the Phase II of this proceeding in order to develop, *inter alia*, the following: (1) appropriate durations, terms, and conditions of marketer capacity assignment agreements; (2) appropriate conditions pursuant to which marketer capacity assignment agreements will be replaced or terminated; (3) a planning process pursuant to which South Jersey will acquire future interstate pipeline and storage capacity additions; and (4) a methodology for allocating the costs of Design Day Resources including interstate pipeline and storage capacity among and within customer classes.
- F. South Jersey will only assign pipeline and virtual storage capacity subject to recall rights. It is intended that recall rights may be exercised only in exigent circumstances. The parties will meet to define the exigent circumstances, which definition will be based upon the necessity that marketers and South Jersey provide reliable service to firm customers.
- G. Marketers to whom pipeline capacity is assigned will not be restricted from remarketing pipeline capacity. This provision is intended to allow marketers to remarket pipeline capacity that becomes available as customer load changes from month-to-month. Assigned "virtual" storage capacity may not be remarketed.
- H. The parties will meet following acceptance of this Stipulation to develop the details of marketer pipeline and virtual storage capacity assignment to marketers. It is the parties' expectation that all stakeholders will derive competitive and/or financial benefits from the capacity assignment program adopted by this stipulation, and that the cost of the pipeline capacity assigned under the program will reflect prices that are no higher than the prevailing FERC maximum rates applicable to the assigned capacity.
- I. All capacity assignment will be subject to margin sharing.

XIII. AMORTIZATIONS

The following expenses may be amortized by the Company for periods not to exceed:

- A. 3 years - Rate case expenses associated with this rate case.
- B. 2 years - Year 2000 competitive services audit.

- C. 2 years - Year 2002 competitive services audit.

In addition, unamortized issuance costs and call premiums associated with the following retired instruments may be amortized over the lives of bonds issued to replace those instruments:

- A. 9% Bond due 2010.
- B. 10.25% Bond due 2008.
- C. 6.95% Bond due 2013.
- D. 8.35% Preferred Trust Securities due 2037.

XIV. ACCEPTANCE OF TARIFF

The parties hereto agree that the Tariff attached hereto as Exhibit C is just and reasonable, and should be accepted by the Board effective with an order accepting this Stipulation.

XV. AUDITS

This Stipulation is not intended to in any way affect the Board's authority in connection with any Board-ordered audit, including, without limitation: (1) the matter entitled In the Matter of Consultant's Reports Regarding the Audits of the Competitive Services Offerings of South Jersey Gas Company, Docket No. GA02020101; (2) the matter entitled In the Matter of the Petition of South Jersey Gas Company for Authorization to Transfer its Appliance Service Business to a Newly Created Company, and in Connection Therewith for (a) Approval of Associated Service Agreements Pursuant to N.J.S.A. 48:3-7.1; (b) Waiver of the Advertising and Bidding Requirements of N.J.A.C. 14:1-5.6; and (c) Authorization to Withdraw Appendix B from South Jersey Gas Company's Tariff, Docket No. GM02080609; or (3) the matter entitled In the Matter of the Focused Audit on the Affiliated Transactions between South Jersey Gas Company and South Jersey Industries and its Affiliates, and Management Audit of South Jersey Gas Company, Pursuant to N.J.S.A. 48:2-16.4, Docket No. AX04040277.

XVI. OTHER PROVISIONS

Except as specifically provided herein, this Stipulation has been made exclusively for the purpose of this proceeding. This Stipulation represents compromises by the Parties with respect to disputed issues in this case. Therefore, except as specifically provided herein, this Stipulation is executed without prejudice to the positions of the Parties and is not intended in any way to restrict or bind the Parties with respect to substantive positions they may choose to assert in any pending or future proceeding before this Board or in any other forum or jurisdiction. Accordingly, by executing this Stipulation, no party waives any rights it possesses under any prior Stipulation, except as specifically provided therein or herein.

The Parties hereto regard Stipulations as an integral part of the regulatory process. Thus, the Parties consider the Stipulation of this litigated matter as binding.

This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the Parties expressly and jointly state that they would not have signed the Stipulation had any term been modified in any respect. Since the Parties have compromised in numerous areas, each is entitled to certain procedures in the event that any modifications whatever are made to this Stipulation.

If any modification is made to the terms of this Stipulation, the Parties each must be given the right to be placed in the position it was in before entering into the Stipulation.

Therefore, each Party has the option, before the implementation of any modifications to this Stipulation, either to modify its own position to accept the proposed changes, or to resume the proceeding as if no agreement had been reached. This proceeding would resume at the point where it was terminated, namely at the commencement of evidentiary hearings.

The Parties believe that these procedures are fair to all concerned, and are an integral and essential element of this Stipulation. The Parties recommend that this Stipulation be incorporated into the terms of the final Board Order.

This Stipulation may be executed in as many counterparts as there are signatories of this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

SOUTH JERSEY GAS COMPANY

PETER C. HARVEY, ATTORNEY GENERAL OF
THE STATE OF NEW JERSEY FOR THE STAFF
OF THE BOARD OF PUBLIC UTILITIES

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Ira G. Megdal, Esq. *lm*
Cozen O'Connor, attorneys

By: _____
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Deputy Attorney General

SEEMA M. SINGH, ESQ.
RATEPAYER ADVOCATE

By: _____
Felicia Thomas Friel, Esq.
Deputy Ratepayer Advocate

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COALITION AND
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ACCENT ENERGY NEW JERSEY, LLC

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Steven S. Goldenberg, Esquire
Greenbaum, Rowe, Smith, Ravin,
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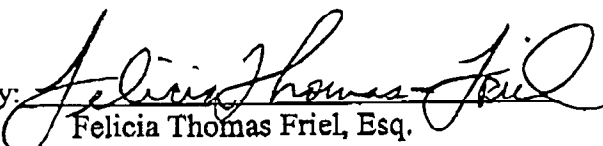
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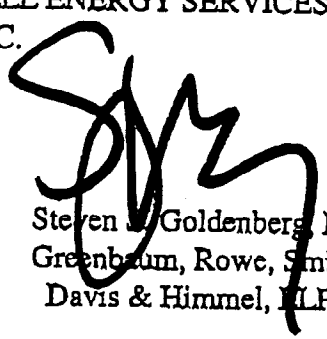
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NEW JERSEY LARGE ENERGY USERS
COALITION AND
SHELL ENERGY SERVICES COMPANY,
L.L.C.

ACCENT ENERGY NEW JERSEY, LLC

By: _____
Steven S. Goldenberg, Esquire
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By: Kenneth T. Maloney
Kenneth T. Maloney, Esquire
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LLP, attorneys

Dated: June 30, 2004

South Jersey Gas Company

Explanation of Rate Reductions

GCUA Rate Reduction

By Order dated March 30, 2001, in Docket Nos. GR00050293 and GR00050294, the Board provided for the establishment of a Gas Cost Underrecovery Adjustment ("GCUA") surcharge to be collected commencing December 1, 2001 over an amortization period of three years from that date, with simple interest at 5.75%. The Order also provided for interest at 5.5% to accrue on underrecovered balances commencing April 2001, on a monthly basis, and continuing through October 31, 2001.

In South Jersey's Global Settlement, approved by Board Order dated August 19, 2003, the parties agreed to the method reflected in an attached schedule for accounting for GCUA recoveries. This method required South Jersey to defer the recovery of interest until the principal has been fully recovered.

As of March 31, 2004, South Jersey's GCUA balance is \$5.6 million, of which \$3.8 million represents the deferred interest. South Jersey projects that the remaining principal balance of \$1.8 million will be collected by the end of May, resulting in a deferred interest balance of \$3.8 million. Since South Jersey is proposing that the GCUA rate be eliminated prior to the recovery of the full amount of the deferred interest, the Company would recover any remaining deferred interest through the existing TEFA deferred account (see TEFA Rate Reduction below).

TEFA Rate Reduction

South Jersey's current TEFA rates reflect an adjustment for the 1998 Corporation Business Tax ("CBT") shortfall South Jersey experienced as a result of the first year implementation of its TEFA rates. The adjustment in South Jersey's TEFA rates was implemented in calendar year 2000.

As required by Board Order dated November 30, 1999, South Jersey submitted its Compliance Filing via a letter dated December 6, 1999 in Docket No. GR97090663. As part of this filing, South Jersey proposed a TEFA rate adjustment to recover a CBT shortfall that the Company experienced in 1998. By Board Order dated December 23, 1999, the Board approved the requested 1998 CBT shortfall adjustment conditioned upon the submission by South Jersey of a revised interest calculation that would satisfy Staff's concerns.

By letter dated December 29, 1999, in that same docket, South Jersey submitted its Compliance Filing with the revised interest calculation as required by Board Order, and requested by BPU staff.

Since South Jersey has recovered its 1998 CBT shortfall as authorized by the Board, and because TEFA rate changes have not taken place since the calendar year 2000 changes, South Jersey has been setting aside its collection of the TEFA rate adjustment in a deferred account. As of March 31, 2004, the balance of the deferred account is \$4.7 million. South Jersey will use a portion of this balance to satisfy the GCUA deferred interest balance.

USF Interim Rate

In South Jersey's Global Settlement, approved by Board Order dated August 19, 2003, the parties agreed to implement a USF rate of \$.0059 per therm to recover the costs associated with the Interim USF Program. The costs of this program have been fully recovered. Therefore, South Jersey is proposing to eliminate the USF Interim rate from billing. The over-recovered balance existing as of the date the USF Interim rate is eliminated will be returned to ratepayers through the Company's Remediation Adjustment Clause, within the SBC.

TAC Rate

In South Jersey's Global Settlement, approved by Board Order dated August 19, 2003, the parties agreed to implement a TAC factor of \$.0175 per therm to recover the net TAC deficiency of \$5,741,401. The remaining balance as of March 31, 2004 is \$1,056,580. The Company projects full recovery of the remaining balance near the end of May. The Company proposes to eliminate the TAC rate, at least until the next TAC year.

BGSS (Sharing)

Historically, the first \$7.8 million of profits generated by Off System Sales and Interruptible Sales and Transportation have been retained by the Company. Effective with the rate order emanating from this proceeding all profits from Off System and Interruptible Sales will be shared from the first dollar on the currently effective 20/80 profit sharing formula. This will result in an increased credit to the BGSS Clause of \$6.6 million, resulting in a BGSS rate reduction of approximately \$.0313 per therm. The calculation is as follows: $\$7,820,900 \times 80\% = \$6,256,720$. Divide this figure by 212,564,610 therms to derive \$.0294. Lastly, multiply this figure by 1.0019 (for PUA) and 1.06 (for SUT) to derive \$.0313.

South Jersey Gas Company
Docket No. GR03080683
Depreciation Accrual Rate and Net Salvage Allowance

Exhibit B
Page 1 of 2

DEPRECIABLE PLANT

Annual
Accrual Rate %

Production Plant

305	Structures and Improvements	7.22
311	Liquefied Petroleum Gas Equipment	137.78
320	Other Equipment - Miscellaneous	8.84

<i>Total Production Plant</i>	13.56
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Underground Storage Plant

351	Structures and Improvements	0.50
354	Compressor Station Equipment	2.55
355	Measuring and Regulating Equipment	3.15
357	Other Equipment	0.00

<i>Total Underground Storage Plant</i>	0.93
---	-------------

Liquefied Natural Gas Plant

361	Structures and Improvements	2.55 *
362	Gas Holders	1.53 *
363	Purification Equipment	4.06 *

<i>Total Liquefied Natural Gas Plant</i>	3.18
---	-------------

Transmission Plant

366	Structures and Improvements	1.49
367	Mains	1.80
368	Compressor Station Equipment	0.06
369	Measuring and Regulating Equipment	2.73
370	Communication Equipment	
371	Other Equipment	15.07

<i>Total Transmission Plant</i>	2.00
--	-------------

Distribution Plant

375	Structures and Improvements	2.79
376	Mains	1.92
377	Compressor Station Equipment	
378	Measuring & Regulating Station Equipment - General	2.98
379	Measuring & Regulating Station Equipment - City Gate	2.24
380	Services	2.00
381	Meters	3.34
382	Meter Installations	3.01
383	House Regulators	2.40
384	House Regulator Installations	2.30
385	Industrial Measuring and Regulating Equipment	1.61
387	Other Equipment	

<i>Total Distribution Plant</i>	2.04
--	-------------

General Plant

390	Structures and Improvements	2.05
391	Office Furniture and Equipment	9.81 **
391.1	Office Furniture and Equipment - EDP Equip. - Prior to 1985	150.90 **
391.2	Office Furniture and Equipment - EDP Equip. - Post 1985	26.89 **
391.3	Office Furniture and Equipment - Computer	4.47 **
392	Transportation Equipment	9.95
392.1	Transportation Equipment - Van Pool	
393	Stores Equipment	
394	Tools, Shop and Garage Equipment	7.99 **
394.1	Shop and Garage Equipment - Leased	
395	Laboratory Equipment	3.16 **
396	Power Operated Equipment	8.32
397	Communication Equipment	13.57 **
398	Miscellaneous Equipment	12.41 **
399	Other Tangible Property	3.39

Total General Plant 6.71

TOTAL DEPRECIABLE PLANT 2.24

Stipulated Annual Net Salvage Allowance \$1,416,816

EFFECTIVE COMPOSITE RATE 2.41%

* Life span procedure used.

** Per settlement, amortization to begin 1/1/05 on new assets.

391	- Office Furniture and Equipment	5.00%
391.1	- Office Furniture and Equipment - EDP Equip. - Prior to 1985	10.00%
391.2	- Office Furniture and Equipment - EDP Equip. - Post 1985	20.00%
391.3	- Office Furniture and Equipment - Computer	20.00%
393	- Stores Equipment	4.00%
394	- Tools, Shop and Garage Equipment	5.00%
394.1	- Shop and Garage Equipment - Leased	5.00%
395	- Laboratory Equipment	5.00%
397	- Communication Equipment	6.67%
398	- Miscellaneous Equipment	5.00%

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 1

TARIFF FOR GAS SERVICE

Filed With

State of New Jersey

Board of Public Utilities

SOUTH JERSEY GAS COMPANY

GENERAL OFFICES

Number One South Jersey Plaza

Folsom, NJ 08037

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

**Effective with service rendered
on and after July 1, 2004**

**Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____**

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 2

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 3

LIST OF COMMUNITIES SERVED

ATLANTIC COUNTY

Absecon, City of
Atlantic City
Brigantine City
Buena Boro
Buena Vista Township
Egg Harbor City
Egg Harbor Township
Estell Manor, City of
Folsom Boro
Galloway Township
Hamilton Township

Hammonton, Town of
Linwood, City of
Longport Boro
Margate City
Mullica Township
Northfield, City of
Pleasantville, City of
Somers Point, City of
Ventnor City
Weymouth Township

BURLINGTON COUNTY

Evesham Township
Medford Lakes Boro
Medford Township

Shamong Township
Tabernacle Township
Woodland Township

CAMDEN COUNTY

Barrington Boro
Berlin Boro
Berlin Township
Cherry Hill Township
Chesilhurst Boro
Clementon Boro
Gibbsboro Boro
Gloucester Township
Hi-Nella Boro
Laurel Springs Boro

Lawnside Boro
Lindenwold Boro
Magnolia Boro
Pine Hill Boro
Runnemede Boro
Somerdale Boro
Stratford Boro
Voorhees Township
Waterford Township
Winslow Township

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 4

LIST OF COMMUNITIES SERVED
(Continued)

CAPE MAY COUNTY

Avalon Boro
Cape May City
Dennis Township
Lower Township
Middle Township
North Wildwood City
Ocean City
Sea Isle City

Stone Harbor Boro
Upper Township
West Cape May Boro
West Wildwood Boro
Wildwood City
Wildwood Crest Boro
Woodbine Boro

CUMBERLAND COUNTY

Bridgeton, City of
Commercial Township
Deerfield Township
Downe Township
Fairfield Township
Greenwich Township
Hopewell Township

Lawrence Township
Maurice River Township
Millville, City of
Shiloh Boro
Stow Creek Township
Upper Deerfield Township
Vineland, City of

GLOUCESTER COUNTY

Clayton Boro
Deptford Township
East Greenwich Township
Elk Township
Franklin Township
Glassboro Boro
Greenwich Township
Harrison Township
Logan Township
Mantua Township
Monroe Township

Newfield Boro
Paulsboro Boro
Pitman Boro
South Harrison Township
Swedesboro Township
Washington Township
Wenonah Boro
West Deptford Township
Woodbury, City of
Woodbury Heights Boro
Woolwich Township

SALEM COUNTY

Alloway Township
Carneys Point Township
Elmer Boro
Elsinboro Township
Mannington Township
Oldmans Township
Penns Grove Boro

Pennsville Township
Pilesgrove Township
Pittsgrove Township
Quinton Township
Salem, City of
Upper Pittsgrove
Woodstown Boro

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

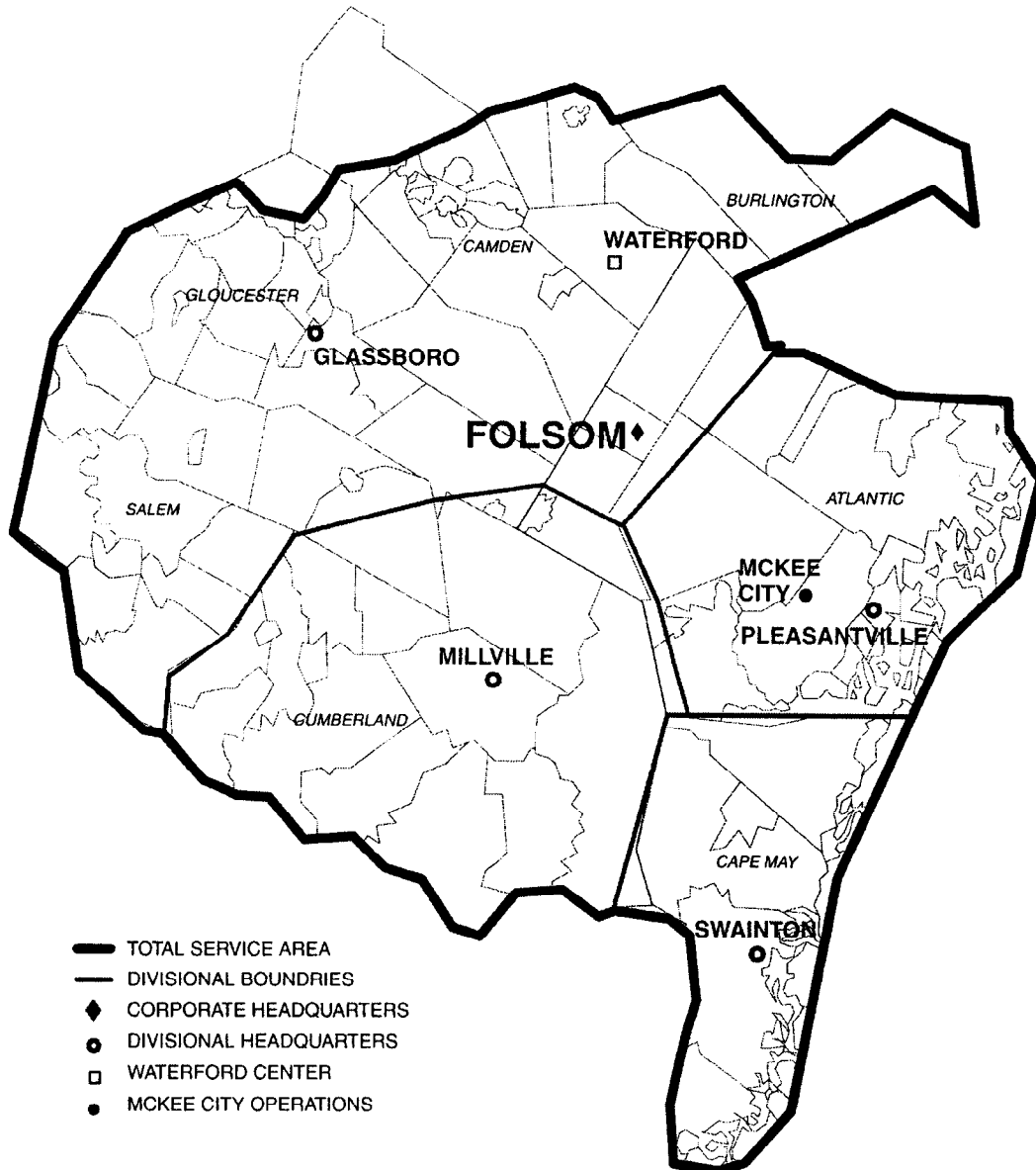
Original Sheet No. 5



South Jersey Gas

Where we put all of our energy™

Service Area and
Divisional Boundries



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E. Graham, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 6

RESIDENTIAL SERVICE (RSG)

APPLICABLE TO USE OF SERVICE FOR:

All residential purposes. Customer may elect Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service RSG, a customer must hold clear and marketable title to gas that is made available for delivery to the customer's residence on the Company's system.

CHARACTER OF SERVICE

Firm Sales Service and Firm Transportation Service.

MONTHLY RATE:(1)

Customer Charge:	\$7.6850 per month
Delivery Charge:	
(a) All consumption for customers who elected Firm Transportation Service prior to July 15, 1997, or who have never taken Firm Sales Service	\$.3757 per therm
(b) All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service after July 14, 1997	\$.4139 per therm
(c) All consumption for customers who elect Firm Sales Service	\$.3739 per therm
Basic Gas Supply Service ("BGSS") Charge:	
All consumption for customers who elect Firm Sales Service.	See Rider "A" of this Tariff.

(1) Please refer to Appendix A for components of Monthly Rates and Price to Compare.

Issued August 29, 2003
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E. Graham, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 7

RESIDENTIAL SERVICE (RSG)

(Continued)

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Transportation Initiation Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Temperature Adjustment Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.
Balancing Service Clause	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff.
Economic Development Rate Clause:	The rates set forth above are subject to adjustment, as is appropriate, pursuant to Rider "H" of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date.

LINE LOSS:

Line Loss shall be 2.80% as provided in Special Provision (n).

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E. Graham, President

Effective with service rendered
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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 8

RESIDENTIAL SERVICE (RSG)

(Continued)

TERM:

Customer must provide Company with adequate notice to discontinue service.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

SPECIAL PROVISIONS:

- (a) A customer receiving service under this rate schedule may use natural gas to heat water for recreational and therapeutic equipment (including but not limited to swimming pools, hot tubs or similar equipment), subject to the Board's policy regarding such use.
- (b) A customer with installed gas air-conditioning as the primary cooling source on the customer's premises may make application to the Company for a gas air-conditioning discount. If such application is accepted, the customer will be billed an alternative Delivery Charge to that set forth in the Monthly Rate section for all gas consumption during the billing months of May through September, for monthly consumption billed in excess of 33 therms per month, which will equal the following Delivery Charges:

Delivery Charge (a)	\$.3712 per therm
Delivery Charge (b)	\$.4093 per therm
Delivery Charge (c)	\$.3693 per therm
- (c) To be eligible for Firm Transportation Service under this Rate Schedule RSG a Firm Transportation Service customer must be part of an aggregated group ("Aggregated Group") of customers, utilizing the services of an Aggregator/Marketer pursuant to an executed Aggregator/Marketer's Agreement, and must have executed a Residential Transportation Customer Consent Form.
- (d) The Company will not accept gas for the account of a Firm Transportation Service customer for delivery that will: (1) adversely impact the Company's rights to current or future supply or transportation allocations; or (2) impose any financial or burdensome administrative obligation on the Company that would not have existed without acceptance of such delivery by the Company.
- (e) The Aggregator/Marketer for a Firm Transportation Service customer shall be required to reimburse the Company for any out-of-pocket expenses incurred in connection with the initiation and rendering of service under this Rate Schedule RSG. If the Company has accepted gas for delivery under this Rate Schedule RSG and as a result thereof it incurs any financial or burdensome administrative obligation, the Company may impose a surcharge upon the Aggregator/Marketer therefore.

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E. Graham, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 9

RESIDENTIAL SERVICE (RSG)

(Continued)

- (f) For Firm Transportation Service customers, the Company may waive any charges associated with imbalances, in its sole reasonable discretion, if the Aggregator/Marketer demonstrates good cause for such imbalances, if the Aggregator/Marketer presents a plan for eliminating such imbalances, and such plan will not adversely impact service to other customers. The Company may require that such plan be implemented in full, and completed, within a time period specified by the Company in order for such a waiver to take place.
- (g) An Aggregated Group of Firm Transportation Service customers may not consist of less than twenty-four (24) Rate Schedule RSG customers.
- (h) An Aggregator/Marketer for Firm Transportation Service customers must execute an Aggregator/Marketer agreement prior to the Company's providing service to an aggregated group represented by said Aggregator/Marketer.
- (i) Firm Transportation Service customers being served under this Rate Schedule RSG may switch to Firm Sales Service under Rate Schedule RSG. In order to bring about such a switch, the customer must notify the Company on or before the tenth (10th) day of the calendar month preceding the month during which the customer wishes to switch to Firm Sales Service under this Rate Schedule RSG. Provided, however, that nothing in this Special Provision (i) concerning customer's exercise of a right to switch to Firm Sales Service under this Rate Schedule RSG shall change or nullify any contractual obligation of the customer to an Aggregator/Marketer.
- (j) An Aggregator/Marketer for Firm Transportation Service customers may determine that it wishes to cease service to a customer under this Rate Schedule RSG. In such case the Aggregator/Marketer must notify the Company on or before the tenth (10th) day of the calendar month preceding the calendar month during which said Aggregator/Marketer's service shall cease. In such case, the customer will switch to Firm Sales Service under Rate Schedule RSG, effective during the month following receipt of notice. Until such time, the Aggregator/Marketer must continue to provide service. In such event any Excess Imbalances or Deficiency Imbalances pursuant to Rider "J" of this Tariff, associated with the customer, will remain the responsibility of the Aggregator/Marketer. Provided, however, that nothing in this Special Provision (j) concerning Aggregator/Marketer's cessation of service shall change or nullify any contractual obligation of the Aggregator/Marketer to the customer.
- (k) For Firm Transportation Service customers, all charges under Rider "J" of this Tariff as well as the Aggregator/Marketer's Fee, but excluding the BS-1 Volumetric Charge, will be invoiced to the Aggregator/Marketer, in accordance with the Aggregator/Marketer's Agreement. The BS-1 Volumetric Charge will be invoiced directly to the customer.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 10

RESIDENTIAL SERVICE (RSG)

(Continued)

- (l) If a customer contacts the Company inquiring about Firm Transportation Service under this Rate Schedule RSG, the Company will supply the customer with a letter explaining the nature of Firm Transportation Service under this Rate Schedule RSG. That letter, in turn, will enclose: (a) a list of natural gas Aggregators/Marketers; and (b) a letter provided by the Board of Public Utilities related to residential transportation service.
- (m) To be eligible to provide Aggregator/Marketer services under this Rate Schedule RSG, each Aggregator/Marketer for Firm Transportation Service customers must comply with all Board approved Marketer Standards, and all other rules and regulations of the Board applicable to Aggregator/Marketers.
- (n) For Firm Transportation Service customers the receipt of gas by the Company for transportation under this Rate Schedule RSG shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 11

GENERAL SERVICE (GSG)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule. A customer qualifying for service under Rate Schedule GSG may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$18.5500 per month

Delivery Charges:

- (a) All consumption for customers who elected Firm Transportation Service prior to July 15, 1997, or who have never taken Sales Service

All therms \$.3039 per therm

- (b) All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service after July 14, 1997 ⁽²⁾

All therms \$.3230 per therm

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare.

⁽²⁾ For customers who transferred from a Sales Service other than Rate Schedule GSG, see Special Provision (q).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 12

GENERAL SERVICE (GSG)

Continued

- (c) All consumption for customers who elect
Firm Sales Service

All therms \$.2830 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 2.80% as provided in Special Provision (p).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause: BGSS charges are depicted in Rider "A" of this Tariff.

Economic Development Rate Clause: The rates set forth above are subject to adjustment, as is appropriate, pursuant to Rider "H" of this Tariff.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 13

GENERAL SERVICE (GSG)

Continued

Firm Market Adjustment Clause:	The Delivery Charges and BGSS Charge set forth above may be adjusted pursuant to the Market Adjustment provisions of Rider "B" of this Tariff.
Transportation Initiation Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Temperature Adjustment Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.
Balancing Service Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may discontinue service upon written notice to the Company, pursuant to the terms of the Company's Standard Gas Service Agreement (GS), if applicable, otherwise, in order to effectuate a termination, customer must provide adequate notice to the Company.

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E. Graham, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 14

GENERAL SERVICE (GSG)

Continued

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

SPECIAL PROVISIONS:

- (a) The Company may require, as a condition precedent to the receipt of service under this Rate Schedule GSG, that an eligible customer execute a Standard Gas Service Agreement (GS), to indicate, among other things, the customer's minimum and maximum capability to utilize gas used under Rate Schedule GSG, and the levels of firm and interruptible service provided.
- (b) Due to system constraints, the Company may instruct some or all GSG Firm Sales Service or Firm Transportation Service customers not to exceed the stated Maximum Capability in the Standard Gas Service Agreement (GS) during a given twenty-four (24) hour period. Said instruction may be given orally or in writing. Any customer who then uses in excess of its Maximum Capability may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule GSG). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.
- (c) If during any month a Firm Sales Service or Firm Transportation Service customer having Alternate Fuel Capability utilizes gas in excess of the stated Maximum Capability in the Standard Gas Service Agreement (GSG), multiplied by the number of days in that month, or if applicable, a larger amount authorized by the Company, such excess shall be deemed utilized for interruptible uses, and may be billed pursuant to Rate Schedule IGS or ITS, as applicable.
- (d) If during any month a Firm Sales Service or Firm Transportation Service customer without Alternate Fuel Capability utilizes gas in excess of the stated Maximum Capability in the Standard Gas Service Agreement (GSG), multiplied by the number of days in that month, or if applicable, a larger amount authorized by the Company, such customer may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule GSG). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.", multiplied by the number of days in that month. This daily charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 15

GENERAL SERVICE (GSG)

Continued

- (e) A customer receiving service under this rate schedule may use natural gas to heat water for recreational and therapeutic equipment (including but not limited to swimming pools, hot tubs or similar equipment), subject to the Board's policy regarding such use.
- (f) The Company will not accept gas for delivery to Firm Transportation Service customers that will: (1) adversely impact the Company's rights to current or future supply or transportation allocations; or (2) impose any financial or burdensome administrative obligation on the Company that would not have existed without acceptance of such delivery by the Company.
- (g) The Firm Transportation Service customer bears sole responsibility for costs incurred to deliver customer owned gas to the Company's City Gate Station and to provide interstate pipeline capacity.
- (h) The Firm Transportation Service customer shall be required to reimburse the Company for any out-of-pocket expenses incurred in any financial or burdensome administrative obligation, the Company may impose a surcharge therefore.
- (i) RESERVED FOR FUTURE USE.
- (j) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff to record the customer's consumption patterns required for billing purposes. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.
- (k) Firm Transportation Service customers may not arrange for delivery to the Company, on any day, of gas volumes in excess of customer's then applicable daily DCQ unless authorized to do so by the Company; provided, however, that said excess deliveries may be authorized by the Company to cure a Deficiency Imbalance.
- (l) For Firm Transportation Service customers, the existence of imbalances as defined in Rider "J" will be determined each day. If at the beginning of a day a customer has an imbalance, the gas to fulfill that customer's daily DCQ for that day will be the first gas through the City Gate Station for the customer's account on that day. Gas to correct existing imbalances will be considered as the last gas coming through the City Gas Station for that customer's account on that day.
- (m) RESERVED FOR FUTURE USE.
- (n) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule GSG on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (o) A customer with installed gas air-conditioning as the primary cooling source on the customer's premises may make application to the Company for a gas air-conditioning discount. If such application is accepted, the customer will be billed an alternative Delivery Charge to that set forth in the Monthly Rate section, for all gas consumption during the billing months of May through September of any year at the following Delivery Charges, all as adjusted by applicable tariff Riders:

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 16

GENERAL SERVICE (GSG) Continued

		(a)	(b)	(c)
Delivery Charge				
First	250 therms	\$.3039 per therm	\$.3230 per therm	\$.2830 per therm
Over	250 therms	\$.2993 per therm	\$.3185 per therm	\$.2785 per therm

- (p) For Firm Transportation Service customers the receipt of gas by the Company for transportation under this Rate Schedule GSG shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.
- (q) In the event that a customer receives service pursuant to Delivery Charge (b), and has switched from a Sales Service other than Firm Sales Service upon Rate Schedule GSG, then the Transitional Energy Facility Assessment ("TEFA") within Delivery Charge (b) shall be adjusted by replacing the TEFA within the GSG Delivery Charge (b) with the Applicable TEFA shown below:

Sales Service Previously Utilized	GSG TEFA	Applicable TEFA
LVS	\$.0239	\$.0246
FES, LVCS, EGS, EGS-LV and CS	\$.0239	\$.0000
IGS customers who purchased their firm gas, if any, under Rate Schedules FES or CS	\$.0239	\$.0000
LMS-GS, LMS-LV and other IGS customers	\$.0239	\$.0133

Provided, however, that this adjustment will not be made if the customer has only taken Firm Sales Service on a temporary basis. Firm Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to Firm Transportation Service under this Rate Schedule GSG.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 17

GENERAL SERVICE – LARGE VOLUME (GSG-LV)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule (other than Rate Schedule GSG), and who has an annualized usage of 100,000 therms or more,. A customer qualifying for service under Rate Schedule GSG-LV may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG-LV, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$106.00 per month

Delivery Charges:

- (a) All consumption for customers who elected Firm Transportation Service prior to July 15, 1997, or who have never taken Sales Service ⁽²⁾

Demand Charge:

D-1FT: \$7.4055 per Mcf of Contract Demand

Volumetric Charge:

C-1FT: \$.2350 per therm

- (b) All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service after July 14, 1997 ⁽²⁾⁽³⁾

Demand Charge:

D-1FT: \$7.4055 per Mcf of Contract Demand

Volumetric Charge:

C-1FT: \$.2541 per therm

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare.

⁽²⁾ See Special Provision (r) of this Rate Schedule GSG-LV, regarding appropriate balancing charges.

⁽³⁾ For customers who transferred from a Sales Service other than Rate Schedule GSG, see Special Provision (q).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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GENERAL SERVICE (GSG-LV)
Continued

- (c) All consumption for customers who elect
Firm Sales Service

Demand Charge:

D-1: \$7.4055 per Mcf of Contract Demand

Volumetric Charge:

C-1: \$.2141 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 2.80% as provided in Special Provision (p).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Firm Market Adjustment Clause:	The Delivery Charges and BGSS Charge set forth above may be adjusted pursuant to the Market Adjustment provisions of Rider "B" of this Tariff.
Transportation Initiation Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 19

GENERAL SERVICES (GSG-LV)

Continued

Temperature Adjustment Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.
Balancing Service Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff. However, see also Special Provision (I) regarding Rider "I".
Economic Development Rate Clause:	The rates set forth above are subject to adjustment, as is appropriate, pursuant to Rider "H" of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may discontinue service upon written notice to the Company, pursuant to the terms of the Company's Standard Gas Service Agreement (GS), if applicable, otherwise, in order to effectuate a termination, customer must provide adequate notice to the Company.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

SPECIAL PROVISIONS:

- (a) The Company may require, as a condition precedent to the receipt of service under this Rate Schedule GSG-LV, that an eligible customer execute a Standard Gas Service Agreement (GS), to indicate, among other things, the customer's minimum and maximum capability to utilize gas under Rate Schedule GSG-LV; the levels of firm and interruptible service; and the customer's Contract Demand.
- (b) Due to system constraints, the Company may instruct some or all GSG Firm Sales Service or Firm Transportation Service customers not to exceed the stated Contract Demand in the Standard Gas Service Agreement (GS) during a given twenty-four (24) hour period. Said instruction may be given orally or in writing. Any customer who then uses in excess of its Contract Demand may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule GSG-LV). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 20

GENERAL SERVICES (GSG-LV)

Continued

unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.

- (c) If during any month a Firm Sales Service or Firm Transportation Service customer having Alternate Fuel Capability utilizes gas in excess of the stated Contract Demand in the Standard Gas Service Agreement (GS), multiplied by the number of days in that month, or if applicable, a larger amount authorized by the Company, such excess shall be deemed utilized for interruptible uses, and may be billed pursuant to Rate Schedule IGS or ITS, as applicable.
- (d) If during any month a GSG-LV customer having no Alternate Fuel Capability utilizes gas in excess of its Contract Demand, as stated in the Standard Gas Service Agreement (GS), multiplied by the number of days in the month, then in addition to the Customer Charge, Volumetric Charges, and Applicable Riders set forth in the Monthly Rate Section of this Rate Schedule GSG-LV: the customer's average daily gas consumption for the month will be utilized as a surrogate for the daily Contract Demand when calculating the Demand Charge for the customer's bill for that month.
- (e) Beginning with the effective date of this Rate Schedule GSG-LV, a customer's Contract Demand shall be determined based upon the customer's average daily usage for the month of the highest monthly usage during the preceding twelve months, subject to normalization if appropriate. Estimated data may be used as a surrogate when actual data is not available. The average daily usage shall be determined for each billing month based upon usage divided by the number of days in the billing month. The customer's Contract Demand shall be reviewed and adjusted no less frequently than annually. When the Company adjusts the Contract Demand, it shall be adjusted to the nearest Mcf. Contract Demand may be incorporated into a Standard Gas Service Agreement (GS). However, the Contract Demand shall be effective irrespective of whether it is incorporated into a Standard Gas Service Agreement (GS).
- (f) A customer receiving service under this rate schedule may use natural gas to heat water for recreational and therapeutic equipment (including but not limited to swimming pools, hot tubs or similar equipment), subject to the Board's policy regarding such use.
- (g) The Company will not accept gas for delivery to Firm Transportation Service customers that will: (1) adversely impact the Company's rights to current or future supply or transportation allocations; or (2) impose any financial or burdensome administrative obligation on the Company that would not have existed without acceptance of such delivery by the Company.
- (h) The Firm Transportation Service customer bears sole responsibility for costs incurred to deliver customer owned gas to the Company's City Gate Station and to provide interstate pipeline capacity.
- (i) The Firm Transportation Service customer shall be required to reimburse the Company for any out-of-pocket expenses incurred in any financial or burdensome administrative obligation, the Company may impose a surcharge therefore.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 21

GENERAL SERVICES (GSG-LV)

Continued

- (j) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.
- (k) Firm Transportation Service customers may not arrange for delivery to the Company, on any day, of gas volumes in excess of customer's then applicable DCQ (or the quantity of gas burned daily if the Rider "I" customer has no DCQ) unless authorized to do so by the Company; provided, however, that said excess deliveries may be authorized by the Company to cure a Deficiency Imbalance.
- (l) For Firm Transportation Service customers, the existence of imbalances as defined in Rider "I" or Rider "J" will be determined each day. If at the beginning of a day a customer has an imbalance, the gas to fulfill that customer's DCQ (or the quantity of gas burned on that day for a Rider "I" customer who has no DCQ) for that day will be the first gas through the City Gate Station for the customer's account on that day. Gas to correct existing imbalances will be considered as the last gas coming through the City Gas Station for that customer's account on that day.
- (m) RESERVED FOR FUTURE USE.
- (n) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule GSG-LV on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (o) A customer with installed gas air-conditioning as the primary cooling source on the customer's premises may make application to the Company for a gas air-conditioning discount. If such application is accepted, the customer will be billed an alternative Delivery Charge to that set forth in the Monthly Rate section, for all gas consumption during the billing months of May through September of any year at the following Delivery Charges, all as adjusted by applicable tariff Riders:

Delivery Charge		(a)	(b)	(c)
First	250 therms	\$.2350 per therm	\$.2541 per therm	\$.2141 per therm
Over	250 therms	\$.2304 per therm	\$.2496 per therm	\$.2096 per therm

- (p) For Firm Transportation Service customers the receipt of gas by the Company for transportation under this Rate Schedule GSG-LV shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.
- (q) In the event that a customer receives service pursuant to Delivery Charge (b) and has switched from a Sales Service other than Firm Sales Service upon Rate Schedule GSG, then the Transitional Energy Facility Assessment ("TEFA") within Delivery Charge (b) shall be adjusted by replacing the TEFA within the GSG-LV Delivery Charge (b) with the Applicable TEFA shown below:

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 22

GENERAL SERVICES (GSG-LV)

Continued

<u>Sales Service</u> <u>Previously Utilized</u>	<u>GSG</u> <u>TEFA</u>	<u>Applicable TEFA</u>
LVS	\$.0239	\$.0246
FES, LVCS, EGS, EGS-LV and CS who purchased their firm gas, if any, under Rate Schedules FES or CS	\$.0239	\$.0000IGS customers
LMS-GS, LMS-LV and other IGS customers	\$.0239	\$.0000
		\$.0133

Provided, however, that this adjustment will not be made if the customer has only taken Firm Sales Service on a temporary basis. Firm Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to Firm Transportation Service under this Rate Schedule GSG-LV.

- (r) The rates set forth in the Delivery Charge section of this Rate Schedule GSG-LV assume that the customer receives balancing service under Rider "J" to this Tariff. If the customer selects balancing service under Rider "I" of this Tariff, then the Delivery Charges will be adjusted to reflect the Rider "I" Charges.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 23

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

APPLICABLE TO USE OF SERVICE FOR:

All customers having a Firm Contract Demand, and an average annual daily Firm usage of 100 Mcf per day or more. To be eligible for service under this Rate Schedule CTS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system. Provided, however, that any customer receiving service under this Rate Schedule CTS prior to August 29, 2003 shall continue to be eligible to receive service under this Rate Schedule CTS, notwithstanding the foregoing, if said customers continues to have a Firm Contract Demand of 100 Mcf per day or more. Further provided, however, that if a customer ceases to receive service under this Rate Schedule CTS, and seeks to return to service under this Rate Schedule CTS, said customer must meet all requirements for eligibility as though applying for service in the first instance.

CHARACTER OF SERVICE:

Firm Transportation Service and Limited Firm Transportation Service

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge: \$636.00 per month

Delivery Charges:

Demand Charge: D-1FT: \$23.9863 per Mcf of Contract Demand

Volumetric Charges:

BS-1: \$.0027 per therm for all gas delivered under this Rate Schedule CTS.

C-1FT: (a) All consumption for customers who elected Firm Transportation Service prior to July 15, 1997, or who have never taken Sales Service \$.0380 per therm

(b) All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service after July 14, 1997⁽²⁾ \$.0542 per therm

Limited Firm:

Customer Charge: \$106.00 per month

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ This rate assumes that the customer transferred from Firm Sales Service under Rate Schedule GSG. For customers who have transferred from Sales Service under any other rate schedule, see Special Provision (p).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 24

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)
(Continued)

Delivery Charges:

Volumetric Charges:

- C-1FT: (a) All consumption for customers who elected Firm Transportation Service prior to July 15, 1997, or who have never taken Sales Service \$.0614 per therm
- (b) All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service after July 14, 1997⁽²⁾ \$.0825 per therm

APPLICABLE RIDERS:

- Firm Market Adjustment Clause: The Delivery Charges set forth above may be adjusted pursuant to the Market Adjustment provisions of Rider "B" of this Tariff.
- Societal Benefits Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

LINE LOSS:

Line loss shall be 2.80% as provided in Special Provision (q).

MINIMUM BILL:

Sum of monthly customer charge and monthly demand charge, irrespective of use.

⁽²⁾ This rate assumes that the customer transferred from Firm Sales Service under Rate Schedule GSG. For customers who have transferred from Sales Service under any other rate schedule, see Special Provision (p).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 25

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(Continued)

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may discontinue service upon written notice to the Company, pursuant to the conditions of the Company's Standard Gas Service Agreement (LV).

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

DEFINITIONS:

- (1) "Gas Consumption" means the volume of gas, utilized by the customer, as measured at the customer's meter. Gas Consumption will be displayed on the Company's Electronic Bulletin Board ("EBB"). However, the responsibility for balancing shall remain with the customer even if the Company's EBB is inoperative.
- (2) On any day during which gas receipts for a customer's account exceed Gas Consumption, after adjustment to reflect line loss and sales authorized by the Company for this customer, a daily "Excess Imbalance" results.
- (3) On any day during which Gas Consumption exceeds gas receipts for a customer's account, after adjustment to reflect line loss and sales authorized by the Company, a daily "Deficiency Imbalance" results.
- (4) Daily Deficiency Imbalances and Daily Excess Imbalances may be collectively referred to as "Daily Imbalances".
- (5) "Net Monthly Imbalance" means the net of a customer's Daily Imbalances, if any, during a month. If monthly Gas Consumption exceeds monthly gas receipts for a customer's account, a Monthly Deficiency Imbalance results and if monthly gas receipts exceed monthly Gas Consumption, a Monthly Excess Imbalance results.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 26

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(Continued)

- (6) Upon termination of service under this Rate Schedule CTS, the Company shall review the status of customer's account. In the event that customer's account has a negative balance, the customer shall have thirty days to pay back such negative balance. If any negative balance remains after thirty days, the customer will be charged the GSG-LV Monthly BGSS rate multiplied by each therm of negative balance. If customer's account has a positive balance, the Company will purchase such gas at the Buy-Out Price.
- (7) As used in this Rate Schedule CTS, "Buy-Out Price" shall mean a price equal to the lowest price of gas delivered to the Company's system during the month the positive balance or an Excess Imbalance occurs.
- (8) As used in this Rate Schedule CTS, "CTS Year" shall mean a twelve (12) month period commencing November 1 and ending October 31.

SPECIAL PROVISIONS:

- (a) Customer shall contract for service under the Company's Standard Gas Service Agreement (LV). A customer electing Limited Firm service under this Rate Schedule CTS must execute a Standard Gas Service Agreement (LV) for an initial term of at least twelve (12) months. A CTS Firm customer taking Limited Firm service may not reduce its Firm Contract Demand.
- (b) Due to system constraints, the Company may instruct some or all Firm Transportation Service customers not to exceed Firm Contract Demand during a given twenty-four (24) hour period. Such instructions may be given orally or in writing. Any customer who then uses gas in excess of its Firm Contract Demand may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule CTS). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service. Provided, however, that as to customers who have elected to take the Limited Firm service, such instruction will not be given more than ten (10) days during any CTS Year as to such Limited Firm service.
- (c) If during any month a CTS customer having no Alternate Fuel Capability, and who has not elected Limited Firm service utilizes gas in excess of its Firm Contract Demand as stated in the Standard Gas Service Agreement (LV), multiplied by the number of days in that month, or if applicable, a larger amount authorized by the Company, such customer may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate section of this Rate Schedule CTS): Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This daily charge shall not

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(continued)

be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.

- (d) Except as provided in Special Provision (c) above, if during any month a customer utilizes gas in excess of that customer's aggregate daily Firm Contract Demand for said month, or if applicable, a larger amount authorized by the Company, such usage may be deemed to be utilized for either: (1) interruptible charges billed upon Rate Schedule ITS at the service charge and the transportation charge set forth under Rate Schedule ITS, Paragraph (a); or (2) Limited Firm charges set forth in the Monthly Rate section of this Rate Schedule CTS, whichever is applicable. An election to utilize Limited Firm service must be made for a period of at least twelve (12) months.
- (e) Customers shall use their best efforts to ensure that the daily volumes of gas scheduled for delivery into the Company's system for the customer's account, adjusted to reflect line loss and sales authorized by the Company, equal the volumes of daily Gas Consumption by the customer.
- (f) Customers shall be responsible for maintaining a balance between volumes of daily deliveries into the Company's system and daily Gas Consumption, adjusted to reflect line loss.
- (g) Certain levels of Daily Imbalances will be subject to a corrective plan, as provided in Paragraph (g) of this Rate Schedule CTS. Daily Imbalances of this level will be referred to as "Imbalances Requiring Action" or "IRA". An Excess Imbalance will become an IRA during the winter season if daily receipts exceed daily Gas Consumption by five (5%) percent, and during the summer season if daily receipts exceed daily Gas Consumption by seven and one half (7.5%) percent. A Deficiency Imbalance will become an IRA during the winter season if daily Gas Consumption exceeds daily receipts by five (5%) percent, and during the summer season if daily Gas Consumption exceeds daily receipts by seven and one half (7.5%) percent. The winter season, as used herein, is from November 1 through March 31. The summer season is from April 1 to October 31. Generally, the existence of an IRA will be determined for each customer, on an individual customer basis. However, for those customers who execute an Aggregation Agreement, acceptable to the Company, IRAs will be determined in the aggregate for all members of the Aggregation Group.
- (h) If a customer has an IRA as demonstrated on the Company's EBB, the customer must present a plan within forty-eight (48) hours of such demonstration to eliminate the IRA. Such plan must not, *inter alia*, adversely impact service to other customers, affect system integrity, or affect the Company's gas supply planning. If the plan presented by the customer is unacceptable to the Company, the Company will present an alternative plan. If the customer fails to present, within 48 hours after such demonstration, a plan to eliminate such IRA or fails to comply with a plan accepted by or offered by the Company, the customer shall be subject either to (a) billing for volumes of Gas Consumption in excess of receipts at a rate equal to five (5) times the Net Monthly Deficiency Imbalance Cash-Out Charge within Rider "I" of this Tariff, assuming a System Impact Charge of one (1.0); or (b) a buyout of the excess of receipts over volumes of

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(Continued)

Gas Consumption at a rate equal to one-fifth (1/5) of the Net Monthly Excess Imbalance Cash-Out Credit within Rider "I" of this Tariff, assuming a System Impact Charge of one (1.0). Imbalances at month end will be treated no differently than imbalances during the month in that the applicable 48 hour correction period may continue into a subsequent month.

- (i) Notwithstanding any other provision of this Rate Schedule CTS, if the Company determines in its sole reasonable discretion that it is necessary to do so to alleviate operating conditions which may threaten the integrity of its system, the Company may issue an Operational Flow Order ("OFO") to some or all customers subject to this Rate Schedule CTS. The Company shall provide customers and their Aggregator/ Marketer's with notice of an OFO by posting the same on the Company's EBB, and by facsimile transmission. Alternatively, the Company may provide notice by telephone or otherwise of said OFO. Such notice shall be effective within twenty-four hours of posting unless exigent circumstances require shorter notice, which shorter notice shall be specified in the posting. The OFO may direct, inter alia, the cessation of the creation of Deficiency Imbalances or of Excess Imbalances and that customers make a good faith effort to eliminate existing Deficiency Imbalances or Excess Imbalances. For purposes of this paragraph (i) of this Rate Schedule CTS, if a customer is a member of a Customer Group pursuant to an Aggregator/Marketer's Agreement, Deficiency Imbalances and Excess Imbalances for that customer and for all members of the Customer Group shall be aggregated. Failure to comply with an OFO shall result in the creation of an OFO Deficiency Imbalance or for an OFO Excess Imbalance. The customer may be invoiced for any OFO Deficiency Imbalance or for any OFO Excess Imbalance at a rate of Fifty Dollars (\$50.00) per Mcf of such OFO Deficiency Imbalance or OFO Excess Imbalance for each day that said OFO Deficiency Imbalance or OFO Excess Imbalance remains in effect. In addition, after the Company has taken the steps set forth in this paragraph (i), any customer failing to adhere to an OFO shall be subject to immediate termination of all gas service.
- (j) Any customer receiving service subject to this Rate Schedule CTS must maintain computer capability necessary to access the Company's EBB directly or through an Aggregator and/or Marketer pursuant to an Aggregator's/Marketer's Agreement acceptable to the Company.
- (k) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.
- (l) Any customer receiving service subject to this Rate Schedule CTS must balance its CTS Firm Load, and if applicable, its ITS and CTS Limited Firm load pursuant to the terms of this Rate Schedule CTS.
- (m) A customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule CTS on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (n) Customer shall contract for service under the Company's Standard Gas Service Agreement (LV).
- (o) In the event that, during any month the sum of the month-to-date Deficiency Imbalances or Excess Imbalances, for non-Force Majeure reasons, for an Aggregator/Marketer exceeds three (3) times the ACD, the Company will immediately notify the Aggregator/Marketer via telephone, facsimile or similar means. If Deficiency

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(continued)

Imbalances or Excess Imbalances reach five (5) times the ACD, the following will occur: (1) the Aggregator/Marketer is no longer eligible to function as an Aggregator/Marketer on the Company's system until the conditions set forth in this paragraph (m) are satisfied, but not before the first (1st) day of the following month; and (2) for the balance of the current month and for future months, the affected Aggregator/Marketer's customers will be supplied natural gas by the Company and will be billed on a prorated basis pursuant to the Rate Schedule GSG-LV Monthly BGSS rate. Such customers will be charged on a prorated basis upon this Rate Schedule CTS, including all Special Provisions of this Rate Schedule CTS for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the Rate Schedule GSG-LV Monthly BGSS rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of aggregator/ Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to the Company in an amount equal to two (2) times that which would otherwise be required by the Company. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by the Company. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon the Company's system for an additional one (1) year period. As used in this Paragraph (m), ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator/Marketer under this Rate Schedule CTS.

- (p) In the event that a customer receives service pursuant to C-1FT(b) of this Rate Schedule CTS, and has switched from a Sales Service other than a Sales Service upon Rate Schedule GSG, then the Transitional Energy Facility Assessment ("TEFA") within the C-1FT(b) rate shall be adjusted by replacing the TEFA within the C-1FT(b) rate with the Applicable TEFA shown below:

<u>Sales Service Previously Utilized</u>	<u>GSG TEFA</u>	<u>Applicable TEFA</u>
LVS	\$.0239	\$.0246
FES, LVCS, EGS, EGS-LV and CS	\$.0239	\$.0000
IGS customers who purchased their firm gas, if any, under Rate Schedules FES or CS	\$.0239	\$.0000
LMS-GS, LMS-LV and other IGS customers	\$.0239	\$.0133

Provided, however, that this adjustment will not be made if the customer has only taken the Firm Sales Service on a temporary basis. Firm Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to Firm Transportation Service under this Rate Schedule CTS.

- (q) The receipt of gas by the Company for transportation under this Rate Schedule CTS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will by the Company-wide line loss percentage.

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SOUTH JERSEY GAS COMPANY

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LARGE VOLUME SERVICE (LVS)

APPLICABLE TO USE OF SERVICE FOR:

Firm Sales Service and Firm Transportation Service pursuant to this Rate Schedule LVS, shall be available to all Industrial Customers with a Contract Demand and a minimum annualized average use of 200 Mcf per day. To be eligible for Firm Transportation Service under this Rate Schedule LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$636.00 per month

Delivery Charge:

- (a) All consumption for customers who elected Firm Sales Service to Firm Transportation Service prior to July 15, 1997, or who have never taken Sales Service

Demand Charge:

D-1FT: \$11.3522 per Mcf of Contract Demand

Volumetric Charge:

C-1FT: \$.0320 per therm

- (b) All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service after July 14, 1997 ⁽²⁾

Demand Charge:

D-1FT: \$11.3522 per Mcf of Contract Demand

Volumetric Charge:

C-1FT: \$.0519 per therm

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ For customers who transferred from a Sales Service other than Rate Schedule LVS, see Special Provision (I).

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LARGE VOLUME SERVICE (LVS)
(continued)

(c) All consumption for customers who elect
Firm Sales Service

Demand Charge:

D-1 : \$11.3522 per Mcf of Contract Demand

Volumetric Charge:

C-1: \$.0519 per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$17.4637 per Mcf of Contract Demand.

Volumetric Charge:

C-2: See Rider "A" of this Tariff.

PRICE TO COMPARE:

The Company will provide the Price to Compare for an LVS customer, at said customer's request.

LINE LOSS:

Line Loss shall be 2.80% as provided in Special Provision (h).

MINIMUM BILL:

Sum of monthly Customer Charge and monthly Demand Charges, irrespective of use.

APPLICABLE RIDERS:

Basic Gas Supply Service Clause: The C-2 rate is depicted in Rider "A" of this Tariff.

Societal Benefits Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

Economic Development Rate Clause: The rates set forth above are subject to adjustment, as is appropriate, pursuant to Rider "H" of this Tariff.

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LARGE VOLUME SERVICE (LVS)

(Continued)

Firm Market Adjustment Clause: The Delivery Charges and BGSS Charges set forth above may be adjusted, as is appropriate, pursuant to the provisions of Rider "B" of this Tariff.

Balancing Service Clause: All gas delivered to Firm Transportation Customers under this Rate Schedule LVS is subject to Rider "I", of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may discontinue service upon written notice to the Company, pursuant to the conditions of the Company's Standard Gas Service Agreement (LV).

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

SPECIAL PROVISIONS:

- (a) Customer shall contract for service under the Company's Standard Gas Service Agreement (LV).
- (b) Due to system constraints, the Company may instruct some or all Firm Sales Service of Firm Transportation Service customers not to exceed the stated Contract Demand in the Standard Gas Service Agreement (LV) during a given twenty-four (24) hour period. Said instruction may be given orally or in writing. Any customer who then uses in excess of its Contract Demand may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule LVS). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.
- (c) If during any month a Firm Sales Service or Firm Transportation Service customer having Alternate Fuel Capability utilizes gas in excess of the stated Contract Demand in the Standard Gas Service Agreement (LV),

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LARGE VOLUME SERVICE (LVS)

(Continued)

multiplied by the number of days in that month, or if applicable, a larger amount authorized by the Company, such excess shall be deemed utilized for interruptible uses, and may be billed pursuant to Rate Schedule IGS or ITS, as applicable.

- (d) If during any month a Firm Sales Service or Firm Transportation Service customer without Alternate Fuel Capability utilizes gas in excess of the stated Contract Demand in the Standard Gas Service Agreement (LV), multiplied by the number of days in that month, or if applicable, a larger amount authorized by the Company, such customer may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule LVS). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This daily charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.
- (e) The Company will not accept gas for delivery from a Firm Transportation Service customer that will: (1) adversely impact the Company's rights to current or future supply or transportation allocations; or (2) impose any financial or burdensome administrative obligation on the Company that would not have existed without acceptance of such delivery by the Company.
- (f) The Firm Transportation Service customer bears sole responsibility for costs incurred to deliver customer owned gas to the Company's City Gate Station and to provide interstate pipeline capacity.
- (g) The Firm Transportation Service customer shall be required to reimburse the Company for any out-of-pocket expenses incurred in connection with the initiation and rendering of service under this Rate Schedule LVS. If the Company has accepted gas for delivery under this Rate Schedule and as a result thereof it incurs any financial or burdensome administrative obligation, the Company may impose a surcharge therefor.
- (h) The receipt of gas by the Company for Firm Transportation Service customers under this Rate Schedule LVS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.
- (i) Firm Transportation Service customers may not arrange for delivery to the Company, on any day, of gas volumes in excess of customer's then applicable daily Contract Demand unless authorized to do so by the Company; provided, however, that said excess deliveries may be authorized by the Company to cure a Deficiency Imbalance.
- (j) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.

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LARGE VOLUME SERVICE (LVS)

(Continued)

- (k) The existence of imbalances as defined in Rider "I" will be determined each day. If at the beginning of a day a Firm Transportation Service customer has an imbalance, the gas to fulfill that customer's daily Contract Demand for that day will be the first gas through the City Gate Station for the customer's account on that day. Gas to correct existing imbalances will be considered as the last gas coming through the City Gas Station for that customer's account on that day.
- (l) In the event a customer who had previously received service under a Sales Service rate schedule has switched to Transportation Service under this Rate Schedule LVS after July 14, 1997, then the Transitional Energy Facility Assessment ("TEFA") within the C-1FT Volumetric Charge shall be replaced with the Applicable TEFA shown below:

<u>Sales Service Previously Utilized</u>	<u>LVS TEFA</u>	<u>Applicable TEFA</u>
GSG	\$.0246	\$.0239
FES, LVCS, EGS, EGS-LV and CS	\$.0246	\$.0000
IGS customers who purchased their firm gas, if any, under Rate Schedules FES or CS	\$.0246	\$.0000
LMS-GS, LMS-LV and other IGS customers	\$.0246	\$.0133

Provided, however, that this adjustment will not be made if the customer has only taken the Firm Sales Service on a temporary basis. Firm Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to Firm Transportation Service under this Rate Schedule LVS.

- (m) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule LVS on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (n) The BGSS D-2 Demand Charge will equal the Company's system weighted average interstate pipeline demand charge plus the system weighted average gas reservation charge both as of October 1 of each year. The BGSS D-2 Demand Charge is subject to annual adjustment, to be made in the same proceeding in which the Company's annual Periodic BGSS Rate is established for the BGSS Year pursuant to Rider "A" of this Tariff. The BGSS D-2 Demand Charge shall not be less than the sum of the following: (1) the demand charge invoiced by Transcontinental Gas Pipe Line Corporation for its FT service; (2) the Pipeline Capacity Factor; and (3) one dollar (\$1.00) per Dt.
- (o) The Pipeline Capacity Factor will recover the difference between the Company's system weighted average pipeline demand cost and the demand cost of Transcontinental Gas Pipe Line Corporation's FT charge.

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SOUTH JERSEY GAS COMPANY

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FIRM ELECTRIC SERVICE (FES)

APPLICABLE TO USE OF SERVICE FOR:

All gas that is purchased or transported to generate electricity. Provided, however, that in order to qualify for this Rate Schedule FES, a customer must have a Winter Daily Contract Demand of 1,000 Mcf per day or more, or a Summer Daily Contract Demand of 2,000 Mcf per day or more, or both. To be eligible for Firm Transportation Service under this Rate Schedule FES, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service.

MONTHLY RATE ^{(1) (2)}

WINTER (November – March):

Demand Charge:

- D-1 \$3.0710 per Mcf of Winter Daily Contract Demand
- D-2 \$8.7319 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge: ⁽³⁾

- C-1: \$.0247 per therm of consumption
- C-2: Firm Market Volumetric Charge, pursuant to Rider "B", OR
Customer Owned Gas Clause, Rider "D"
- C-3: \$.1418 per therm of consumption

Minimum Bill: The monthly D-1 and D-2 charges, irrespective of use.

SUMMER (April – October):

Demand Charge:

- D-1 \$3.0710 per Mcf of Summer Daily Contract Demand
- D-2 \$8.7319 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge: ⁽³⁾

- C-1: \$.0247 per therm of consumption
- C-2: Firm Market Volumetric Charge, pursuant to Rider "B", OR
Customer Owned Gas Clause, Rider "D"
- C-3: \$.1418 per therm of consumption

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ Please refer to Special Provision (q)

⁽³⁾ For customers who transferred from a Sales Service other than Rate Schedule FES, see Special Provision (o)

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FIRM ELECTRIC SERVICE (FES)
(Continued)

Minimum Bill: The monthly D-1 and D-2 charge, irrespective of use.

LINE LOSS:

Line Loss shall be 2.80% as provided in Special Provision (d).

APPLICABLE RIDERS:

Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Firm Market Adjustment Clause:	The C-2 Volumetric Charge is subject to adjustment, pursuant to Rider "B" of this Tariff.
Customer Owned Gas Clause:	The C-2 Volumetric Charge is subject to adjustment, pursuant to Rider "D" of this Tariff, if the customer so requests in an executed Standard Gas Service Agreement (FES).

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a non-business day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may discontinue service upon written notice to the Company, pursuant to the conditions of the Company's Standard Gas Service Agreement (FES).

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

SPECIAL PROVISIONS:

- (a) Customer shall contract for service under the Company's Standard Gas Service Agreement (FES), specifying a Winter Daily Contract Demand, a Summer Daily Contract Demand, an Annual Billing Determinant (ABD) and Daily Billing Determinant. In any given calendar year, should an FES customer not consume its ABD, the customer shall be billed the C-3 Charge for the difference in therms between the ABD and actual consumption.

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(Continued)

- (b) On any day during the Winter Season, an FES customer may request service above its Winter Daily Contract Demand, and the Company may provide such service in the Company's sole reasonable discretion. If the FES customer requests such service, and such request is granted by the Company, (in addition to charges set forth in the Monthly Rate Section of this Rate Schedule FES) the customer will be charged 1.5 times the 100% load factor equivalent of the Winter D-1 and one times the D-2 Charge for the difference between the amount authorized by the Company for that day and the customer's Winter Daily Contract Demand, irrespective of whether the customer consumes this amount. Any consumption under this Special Provision (b) shall not be applied to meet the customer's requirement to consume its ABD pursuant to Special Provision (a).
- (c) During the Winter Season an FES Firm Sales Service or Firm Transportation Service customer may not exceed the stated Winter Daily Contract Demand in the Standard Gas Service Agreement (FES) during a twenty-four (24) hour period without authorization from the Company. Any customer who uses in excess of its Winter Daily Contract Demand without authorization, or if applicable, a larger amount authorized by the Company (excess usage), may be subject to an additional charge (in addition to charges set forth in the Monthly Rate Section of this Rate Schedule FES), for such excess use. Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, Zone 6 Non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. The customer shall also be charged 1.5 times the 100% load factor equivalent of the Winter D-1 Charge for all excess usage. Provided, however, that the Company may waive such charges if customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.
- (d) For Firm Transportation Service customers, the receipt of gas by the Company for transportation under this Rate Schedule FES shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.
- (e) In the Standard Gas Service Agreement (FES) customer shall designate the facility (or facilities) at which service will be received under this Rate Schedule (FES) ("FES Facility").
- (f) RESERVED FOR FUTURE USE
- (g) RESERVED FOR FUTURE USE
- (h) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.

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Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 38

FIRM ELECTRIC SERVICE (FES)

(Continued)

- (i) Service pursuant to this Rate Schedule FES shall be provided within the existing limitations of Company's system, and Company shall not be required to expand or alter the said system. Should Company, prior to the institution of service under this Rate Schedule FES in its sole reasonable discretion, elect to expand or alter its system in order to provide service pursuant to this Rate Schedule FES, the Company may require the customer to make a payment towards all or a part of the cost of the said expansion or alteration as Company shall determine in Company's discretion. Provided, however, that before making such expansion or alteration, Company shall provide an estimate in writing of the cost of such expansion or alteration to customer. Provided, however, that the making of such a payment shall give the customer no interest in the Company's system. All rights, including the rights of ownership and possession, shall be vested exclusively in the Company.
- (j) The Company may, at its sole reasonable discretion, offer a Winter and Summer D-1 Demand Charge and a C-3 Volumetric Charge on a negotiated basis. The D-1 charges, in conjunction with the C-3 charge, may not be lower than an amount sufficient to generate a reasonable return on capital investments made by the Company to provide service under this Rate Schedule FES and recovery of marginal and embedded costs, including depreciation. Such an offer shall be based upon cost of service and value of service considerations, including but not limited to such factors as: (1) proximity of customer to the Company's transmission lines; (2) whether the customer will utilize the Company's interstate pipeline capacity; (3) whether the customer will provide its own gas supply; (4) level of interruption elected by the customer pursuant to Special Provision (r) of this Rate Schedule; and (5) other pertinent factors. Such negotiated rates shall be set forth in the Standard Gas Service Agreement (FES) and filed with the Board within thirty (30) days of execution, for approval. Service Agreements containing the Benchmark Rates shown in the Monthly Rate section of this Rate Schedule (FES) shall not require filing with the Board. All agreements submitted to the Board for approval with a term of greater than five (5) years, must be accompanied by a justification for the extended term. The Company, the customer, the Board and its Staff shall treat any Standard Gas Service Agreement (FES) filed or to be filed with the Board, any petition related thereto, supporting documentation or any discovery related thereto as proprietary and trade secrets of the Company. As such, the contents of such material shall not be disclosed to any party, unless that party executes a confidentiality agreement acceptable to the Company.
- (k) The D-2 Charge set forth above is subject to an annual adjustment, which shall be made in the same proceeding in which the Company's Basic Gas Supply Service rates are established pursuant to Rider "A" of this Tariff. The C-2 Charges shall be established monthly pursuant to Rider "B" of this Tariff. The D-2 Charge shall equal one half (1/2) the weighted average of all interstate pipeline demand charges imposed upon the Company, applicable October 1 of each year, plus applicable taxes. Said D-2 Charge will recover any pipeline demand charges, gas inventory charges, gas reservation charges, direct bill take-or-pay surcharges and similar charges. The C-2 Charge include all commodity cost of gas to the Company other than the commodity cost of liquefied natural gas plus applicable taxes.
- (l) On or before the twentieth day of each calendar month the customer shall provide to the Company, on a form to be provided by the Company, a Notice of Intent relative to Rider D. On said form customer shall advise Company as to whether it will only provide its own gas for delivery under Rider D,

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FIRM ELECTRIC SERVICE (FES)

(Continued)

including potential peak day usage, or purchase some amount of the Company's gas under this Rate Schedule FES for the month succeeding delivery of said form. If during the month succeeding delivery of said form the customer requires gas supplies from the Company, over and above those so designated on the Notice of Intent, the Company will provide such supplies assuming availability of said supplies and interstate pipeline capacity. The Company's offer to provide such supplies shall include a rate for such gas which is no lower than the C-2 rate set forth in the Monthly Rate section of this Rate Schedule FES. If the FES customer accepts the rate so offered by the Company, the Company will give adequate notice of said offer and acceptance to the Board.

- (m) An FES customer who holds clear and marketable title to gas and who provides its own firm interstate pipeline capacity to the Company's City Gate Station may request authorization from the Company for discount of the Firm D-2 charge as set forth in the Monthly Rate Section of this Rate Schedule FES; provided, however, that said D-2 charges shall in no event be discounted for direct bill take-or-pay surcharges and similar charges.
- (n) Any charges imposed pursuant to the above Special Provisions of this Rate Schedule FES shall be in addition to other charges imposed pursuant to this Rate Schedule FES.
- (o) In the event that a customer receives service pursuant to Delivery Charge, and has switched from a Sales Service other than Firm Sales Service upon Rate Schedule FES, then the Transitional Energy Facility Assessment ("TEFA") within Delivery Charge shall be adjusted by replacing the TEFA within the FES Delivery Charge with the Applicable TEFA shown below:

<u>Sales Service</u>	<u>FES</u>	
<u>Previously Utilized</u>	<u>TEFA</u>	<u>Applicable TEFA</u>
GSG	\$.0000	\$.0239
LVS	\$.0000	\$.0246
EGS, EGS-LV, LVCS and CS	\$.0000	\$.0000
IGS	\$.0000	\$.0133

Provided, however, that this adjustment will not be made if the customer has only taken Firm Sales Service on a temporary basis. Firm Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to Firm Transportation Service under this Rate Schedule FES.

- (p) A Customer generating electricity, that qualifies pursuant to the provisions of N.J.S.A. 54:30A 50(c) shall be entitled to an appropriate rate reduction, to reflect the tax exemption.
- (q) Notwithstanding any other provisions of this Rate Schedule FES, customers who have previously executed a Standard Gas Service Agreement (LVCS) shall continue, from and after the date of acceptance of this Rate Schedule FES, for as long as such previously executed Standard Gas Service Agreement (LVCS) shall remain in effect, to be charged in

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FIRM ELECTRIC SERVICE (FES)

(Continued)

accordance with the terms of the existing Standard Gas Service Agreement (LVCS). In this regard, such customers shall continue to be charged the LVCS D-1 and C-3 rates now charged by the Company, pursuant to existing Standard Gas Service Agreements (LVCS), until such customers no longer receive service pursuant to such Standard Gas Service Agreements (LVCS). This Special Provision (q) shall be applicable to those Standard Gas Service Agreements (LVCS) in existence prior to August 29, 2003.

- (r) The customer shall indicate in the Standard Gas Service Agreement (FES) the maximum number of days during the Winter Season during which some or all of the customer's Winter Daily Contract Demand shall be interrupted. Due to system constraints, the Company may instruct one or all FES customer's to limit all or a portion of the customer's Winter Daily Contract Demand during a given twenty-four (24) hour period. Such instructions may be given orally or in writing but may be given no more than the number of days of permissible interruption specified in the Standard Gas Service Agreement (FES). Any customer who uses gas in excess of the amount to which the customer is interrupted during a given twenty-four (24) hour period may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule FES). Such additional charge shall be equal to ten (10) times the highest price of the daily ranges for that month that are published in Gas Daily in the table "Daily Price Survey" for delivery to "Transco, Zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.
- (s) Pursuant to this Rate Schedule FES, when it is appropriate to charge a customer the 100% load factor equivalent of a Demand Charge, the same shall be calculated by dividing the Demand Charge by $(30.4 \times \text{Therm Factor} \times 10)$.
- (t) The D-1 and C-3 rates set forth in the Monthly Rate section of this Rate Schedule FES are "Benchmark" Rates. Unless different rates are offered and accepted pursuant to Special Provision (j) the Benchmark Rates will be applicable.
- (u) If the Benchmark Rates are applicable, the Customer will be subject to all future rate changes to such Benchmark Rates approved by the Board. Provided, however, that if negotiated rates are applicable, those negotiated rates will be subject to the same percentage changes that the Benchmark Rates are subject to through appropriate base rate proceedings. Provided, however, that agreements for negotiated rates may provide that the same percentage changes will not apply, if the Company provides justification for such non-applicability, and the Board finds it to be reasonable.

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FIRM ELECTRIC SERVICE (FES)

(Continued)

- (v) For all customers who become customers under this Rate Schedule FES after July 1, 2004, any increases or decreases to Rider "B", Rider "E", and Rider "I" shall be applicable to the Benchmark Rates, as well as negotiated rates.
- (w) As of July 6, 2004, only one customer was receiving service under this Rate Schedule FES. Notwithstanding any other provision of this Rate Schedule FES, that customer's existing Standard Gas Service Agreement ("FES"), and amendments and addenda thereto (the "Existing Agreement") will continue in effect without modification to its terms or the rates paid. The Existing Agreement will only remain in effect if on or before August 16, 2004, the Company files a new Standard Gas Service Agreement ("FES") (the "Replacement Agreement") for approval by the Board. If the Replacement Agreement is not filed on or before August 16, 2004, then the FES customer will be invoiced at the Benchmark rates contained in this Rate Schedule FES. If the Replacement Agreement is filed on or before August 16, 2004, then the Existing Agreement will remain in effect, until the Board acts upon the Replacement Agreement.

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ELECTRIC GENERATION SERVICE (EGS)

APPLICABLE TO USE OF SERVICE FOR:

All commercial and industrial electric generation facilities; all Prime Movers; and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS, a customer must have a Firm Daily Contract Demand of less than 200 Mcf per day. To be eligible for Firm Transportation Service under this Rate Schedule EGS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service

MONTHLY RATE: ⁽¹⁾⁽²⁾

Customer Charge:

\$26.50 per month

Delivery Charge:

Demand Charge:

D-1 Charge: \$5.4855 per Mcf of contract

Volumetric Charges: ⁽³⁾

Winter Season (effective during billing months of November through March):

All Consumption for Firm Sales Service \$.1170 per therm

All Consumption for Firm Transportation Service \$.1570 per therm

Summer Season (effective during billing months of April through October):

All Consumption for Firm Sales Service \$.0852 per therm

All Consumption for Firm Transportation Service \$.1252 per therm

Basic Gas Supply Service ("BGSS") Charge:

All Consumption See Rider "A" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ See Special Provision (k) of this Rate Schedule EGS, regarding appropriate balancing charges.

⁽³⁾ For customers who transferred from a Sales Service other than Rate Schedule EGS, see Special Provision (j).

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ELECTRIC GENERATION SERVICE (EGS)

(Continued)

LINE LOSS:

Line Loss shall be 2.80% as provided in Special Provision (p).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Firm Market Adjustment Clause:	The Delivery Charges and BGSS Charges set forth above may be adjusted, as is appropriate, pursuant to the provisions of Rider "B" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, pursuant to Rider "E" of this Tariff.
Balancing Service Clause	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff. However, also see Special Provision (k) regarding Rider "I".

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a non-business day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

The Company may offer service to a customer provided that the customer and the Company contract for service under the Company's Standard Gas Service Agreement (EGS). The Company shall be obligated to offer the customer a contract under this Rate Schedule EGS for service for a minimum of a 12 month period.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

SPECIAL PROVISIONS:

- (a) EGS equipment must be metered and billed separately from all other gas equipment that may be used in a customer's facility.

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ELECTRIC GENERATION SERVICE (EGS)

(Continued)

- (b) The Company will not accept gas for delivery to Firm Transportation Service customers that will: (1) adversely impact the Company's rights to current or future supply or transportation allocations; or (2) impose any financial or burdensome administrative obligation on the Company that would not have existed without acceptance of such delivery by the Company.
- (c) The Firm Transportation Service customer bears sole responsibility for costs incurred to deliver customer owned gas to the Company's City Gate Station and to provide interstate pipeline capacity.
- (d) The Firm Transportation Service customer shall be required to reimburse the Company for any out-of-pocket expenses incurred in any financial or burdensome administrative obligation, the Company may impose a surcharge therefore.
- (e) Firm Transportation Service customers may not arrange for delivery to the Company, on any day, of gas volumes in excess of customer's then applicable Daily Contract Quantity ("DCQ") (or the quantity of gas burned daily if the Rider "I" customer has no DCQ) unless authorized to do so by the Company; provided, however, that said excess deliveries may be authorized by the Company to cure a Deficiency Imbalance.
- (f) For Firm Transportation Service customers, the existence of imbalances as defined in Rider "I" or Rider "J" will be determined each day. If at the beginning of a day a customer has an imbalance, the gas to fulfill that customer's Daily Contract Quantity ("DCQ") (or the quantity of gas burned on that day for a Rider "I" customer who has no DCQ) for that day will be the first gas through the City Gate Station for the customer's account on that day. Gas to correct existing imbalances will be considered as the last gas coming through the City Gas Station for that customer's account on that day.
- (g) Due to system constraints, the Company may instruct some or all EGS Firm Sales Service or Firm Transportation Service customers not to exceed the stated Firm Daily Contract Demand in the Standard Gas Service Agreement (EGS) during a given twenty-four (24) hour period. Said instruction may be given orally or in writing. Any customer who then uses in excess of its Firm Daily Contract Demand may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule EGS). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.
- (h) If during any month a Firm Sales Service or Firm Transportation Service customer having Alternate Fuel Capability utilizes gas in excess of the stated Firm Daily Contract Demand in the Standard Gas Service Agreement (EGS), multiplied by the number of days in that month, or if applicable, a larger amount authorized by the Company, such excess shall be deemed utilized for interruptible uses, and may be billed pursuant to Rate Schedule IGS or ITS, as applicable.

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ELECTRIC GENERATION SERVICE (EGS)

(Continued)

- (i) If during any month a Firm Sales Service or Firm Transportation Service customer without Alternate Fuel Capability utilizes gas in excess of the stated Firm Daily Contract Demand in the Standard Gas Service Agreement (EGS), or if applicable, a larger amount authorized by the Company, such customer may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule EGS). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.", multiplied by the number of days in that month. This daily charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.
- (j) In the event that a customer receives service pursuant to the Volumetric Charge within this Rate Schedule EGS, and has switched from a Sales Service other than Firm Sales Service upon Rate Schedule EGS, then the Transitional Energy Facility Assessment ("TEFA") within Delivery Charge shall be adjusted by replacing the TEFA within the EGS Delivery Charge with the Applicable TEFA shown below:

<u>Sales Service</u> <u>Previously Utilized</u>	<u>EGS</u> <u>TEFA</u>	<u>Applicable TEFA</u>
GSG	\$.0000	\$.0239
LVS	\$.0000	\$.0246
FES, LVCS and CS	\$.0000	\$.0000
IGS	\$.0000	\$.0133

Provided, however, that this adjustment will not be made if the customer has only taken Firm Sales Service on a temporary basis. Firm Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to Firm Transportation Service under this Rate Schedule EGS.

- (k) The rates set forth in the Delivery Charge section of this Rate Schedule EGS assume that the customer receives balancing service under Rider "J" to this Tariff. If the customer selects balancing service under Rider "I" of this Tariff, then the Delivery Charges will be adjusted to reflect the Rider "I" Charges.
- (l) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.
- (m) To be eligible for Firm Transportation Service under this Rate Schedule EGS, a customer must hold clear and marketable title to gas that is made available for delivery to the customer's facility on the Company's system.

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ELECTRIC GENERATION SERVICE (EGS)

(Continued)

- (n) A Customer generating electricity, that qualifies pursuant to the provisions of N.J.S.A. 54:30A-50(c) shall be entitled to an appropriate rate reduction, to reflect the tax exemption.
- (o) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule EGS on any day. All scheduling must be done in whole number dekatherms.
- (p) For Firm Transportation Service customers, the receipt of gas by the Company for transportation under this Rate Schedule EGS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.

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ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)

APPLICABLE TO USE OF SERVICE FOR:

All commercial and industrial electric generation facilities; all Prime Movers and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS-LV, a customer must have a Firm Daily Contract Demand of 200 Mcf per day or more. To be eligible for Firm Transportation Service under this Rate Schedule EGS-LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service, Firm Transportation Service, Limited Firm Sales Service, and Limited Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

FIRM:

Demand Charges: ⁽³⁾

- D-1 \$14.2581 per Mcf of Firm Daily Contract Demand.
- D-2 \$31.6013 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge: ⁽²⁾

- C-1: \$.0247 per therm of consumption
- C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR Customer Owned Gas Clause, Rider "D"

Minimum Bill: Monthly D-1 and D-2 charges, irrespective of use.

LIMITED FIRM:

Demand Charge:

- D-2 \$8.7319 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾⁽³⁾

- C-1: \$.0247 per therm of consumption
- C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR Customer Owned Gas Clause, Rider "D"
- C-3 \$.1418 per therm for all consumption within Limited Firm Contract Demand level.¹

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ For customers who transferred from a Sales Service other than Rate Schedule EGS-LV, see Special Provision (h).

⁽³⁾ Please refer to Special Provision (k).

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ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)
(Continued)

Minimum Bill: Monthly D-2 charge, irrespective of use.

LINE LOSS

Line Loss shall be 2.80% as provided in Special Provision (j).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	The C-2 rate is depicted in Rider "A" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Customer Owned Gas Clause:	The Firm and Limited Firm C-2 Volumetric Charges are subject to adjustment, pursuant to Rider "D" of this Tariff, if so elected in an executed Standard Gas Service Agreement (EGS-LV).

All rates, except for the Firm and Limited Firm C-2 Volumetric Charges, are subject to Special Provision (e) of this Rate Schedule (EGS-LV).

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may discontinue service upon written notice to the Company, pursuant to the conditions of the Company's Standard Gas Service Agreement (EGS-LV). The Company will continue service, and take all steps it deems reasonable to provide such service during the term specified in the Standard Gas Service Agreement (EGS-LV). Provided, however, that each year effective November 1 such agreement is subject to revision by the Company to reflect its ability to continue service at Standard Gas Service Agreement (EGS-LV) levels. No change in service level shall be effective unless the Company notifies the customer on or before May 1 of any year. Based upon such review, the Company may advise the customer that the Company cannot provide service at such levels for the ensuing 12 month period, and further advise the customer as to what levels of service the

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ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)

(Continued)

Company can provide for such period. The customer shall have thirty (30) days from such notice to accept the revised levels of service, or terminate the Standard Gas Service Agreement (EGS-LV) effective the following November 1. If the customer does not so notify the Company of termination, in writing, the Standard Gas Service Agreement (EGS-LV) will be deemed revised to reflect the new levels of service, and in all other respects will remain in full force and effect. The Company will determine that a revision to levels of service specified in the Standard Gas Service Agreement (EGS-LV) is necessary, if not making such revisions would impact the Company's ability to provide service under Rate Schedules RSG, GSG, LVS, YLS, SLS or successor rate schedules.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

SPECIAL PROVISIONS:

- (a) Equipment served under this Rate Schedule EGS-LV must be metered separately from all other gas that may be used in a customer's facility. At the Company's request, the Company will be provided with all engineering drawings related to the flow of fuel within the customer's facility and will be provided with physical access to the customer's facility to confirm conformity with this Special Provision (a).
- (b) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.
- (c) It is contemplated that service pursuant to this Rate Schedule EGS-LV shall be provided within the existing limitations of Company's system, and Company shall not be required to expand or alter the said system. Should Company, prior to the institution of service under this Rate Schedule EGS-LV in its sole reasonable discretion, elect to expand or alter its system in order to provide service pursuant to this Rate Schedule EGS-LV, Company may require the customer to make a payment towards all or a part of the cost of the said expansion or alteration as Company shall determine in Company's sole reasonable discretion. Provided, however, that before making such expansion or alteration, Company shall provide an estimate in writing of the cost of such expansion or alteration to customer. Provided, however, that the making of such a payment shall give the customer no interest in the Company's system. All rights, including the rights of ownership and possession, shall be vested exclusively in the Company.
- (d) Due to system constraints, the Company may instruct any one or all EGS-LV customers to limit all or any portion of customer's EGS-LV Limited Firm Daily Contract Demand usage during a given twenty-four (24) hour period. Said instructions may be given orally or in writing but may be given on a maximum of sixty (60) days in any Winter Season. As used in this Rate Schedule EGS-LV "Winter Season" shall mean a period embracing the months of November through March, running consecutively. Such instructions shall only be given if, in the Company's sole reasonable discretion, service to its RSG, GSG, GSG-LV, LVS, EGS, YLS, SLS (or

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

**Effective with service rendered
on and after July 1, 2004**

**Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____**

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 50

ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)

(Continued)

successor rate schedules) customers may be impacted if not given. Any customer who then uses gas in excess of the level instructed may be invoiced at an additional charge (in addition to the charges set forth in the Monthly Rate section of this Rate Schedule EGS-LV). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This rate shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation.

- (e) The Company may, at its sole reasonable discretion, offer a D-1 Demand Charge and a C-3 Commodity Charge on a negotiated basis. The D-1 charge, taken in combination with the Limited Firm C-3 charge, if applicable, may not be lower than an amount sufficient to generate a reasonable return on capital investments made by the Company and recovery of marginal and embedded costs, including depreciation, to provide service under this Rate Schedule EGS-LV. If such an offer is made it shall be based upon cost of service and value of service considerations, including but not limited to such factors as: (1) proximity of customer to the Company's transmission lines; (2) whether the customer will utilize the Company's interstate pipeline capacity; (3) whether the customer will provide its own gas supply; and (4) other pertinent factors. Such negotiated percentages and resultant rates shall be set forth in the Standard Gas Service Agreement (EGS-LV) and filed with the Board within thirty (30) days of execution, for approval. Service Agreements containing the Benchmark Rates shown in the Monthly Rate section of this Rate Schedule (EGS-LV) shall not require filing with the Board. All agreements submitted to the Board for approval with a term of greater than five (5) years must be accompanied by justification for the extended term. The Company, the customer, the Board and its Staff shall treat any Standard Gas Service Agreement (EGS-LV) filed or to be filed with the Board, any petition related thereto, supporting documentation or any discovery related thereto as proprietary and trade secrets of the Company. As such, the contents of such material shall not be disclosed to any party, unless that party executes a confidentiality agreement acceptable to the Company.
- (f) The Firm and Limited Firm D-2 charges, and Firm and Limited Firm C-2 charge set forth above are subject to adjustment pursuant to Rider "A" of this Tariff. The Firm D-2 charge includes the highest interstate pipeline contract demand charge applicable to the Company at October 1 of each year, which will include, but not be limited to, pipeline demand charges, reservation fees, gas inventory charges and direct bill take-or-pay surcharges, plus applicable taxes. The Limited Firm D-2 charge shall equal one-half (1/2) the weighted average of all interstate pipeline demand charges applicable to the Company at October 1 of each year which will include, but not be limited to, pipeline demand charges, reservation fees, gas inventory charges and direct bill take-or-pay surcharges, plus applicable taxes. The Firm and Limited Firm D-2 charges will also recover all appropriate charges pursuant to Rider "G", of this Tariff.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 51

ELECTRIC GENERATION SERVICE - LARGE VOLUME (EGS-LV)

(Continued)

- (g) If during any month a customer utilizes gas in excess of that customer's aggregate Firm Daily Contract Demand for said month, or if applicable, a larger amount authorized by the Company, such usage may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate section of this Rate Schedule EGS-LV). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This rate shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation.
- (h) In the event that a customer receives service pursuant to Delivery Charge, and has switched from a Sales Service other than Firm Sales Service upon Rate Schedule EGS-LV, then the Transitional Energy Facility Assessment ("TEFA") within Delivery Charge shall be adjusted by replacing the TEFA within the EGS-LV Delivery Charge with the Applicable TEFA shown below:

<u>Sales Service</u> <u>Previously Utilized</u>	<u>EGS</u> <u>TEFA</u>	<u>Applicable TEFA</u>
GSG	\$.0000	\$.0239
LVS	\$.0000	\$.0246
FES, LVCS and CS	\$.0000	\$.0000
IGS	\$.0000	\$.0133

Provided, however, that this adjustment will not be made if the customer has only taken Firm Sales Service on a temporary basis. Firm Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to Firm Transportation Service under this Rate Schedule EGS-LV.

- (i) A Customer generating electricity, that qualifies pursuant to the provisions of N.J.S.A. 54:30A-50(c) shall be entitled to an appropriate rate reduction, to reflect the tax exemption.
- (j) For Firm Transportation Service customers, the receipt of gas by the Company for transportation under this Rate Schedule EGS-LV shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.
- (k) Notwithstanding any other provisions of this Rate Schedule EGS-LV, customers who have previously executed a Standard Gas Service Agreement (LVCS) shall continue, from and after June 30, 2004, and for as long as such previously executed Standard Gas Service Agreement (LVCS) shall remain in effect, to be charged in accordance with the terms of the existing Standard Gas Service Agreement (LVCS), and any addenda or amendments thereto. In this regard, such customers shall continue to be charged the LVCS D-1 and C-3 rates now charged by the Company, pursuant to the existing Standard Gas Service Agreements (LVCS), and any addenda or amendments thereto, until such customers no longer receive service pursuant to such Standard Gas Service Agreements (LVCS), and any addenda or amendments thereto. This Special Provision (k) shall be applicable to those Standard Gas Service Agreements (LVCS), and any addenda or amendments thereto in existence prior to August 29, 2003.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 52

ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)

(Continued)

- (l) The D-1 and C-3 rates set forth in the Monthly Rate section of this Rate Schedule EGS-LV are “Benchmark” Rates. Unless different rates are offered and accepted pursuant to Special Provision (e) the Benchmark Rates will be applicable.
- (m) If the Benchmark Rates are applicable, the Customer will be subject to all future rate changes to such Benchmark Rates approved by the Board. Provided, however, that if negotiated rates are applicable, those negotiated rates will be subject to the same percentage changes that the Benchmark Rates are subject to through appropriate base rate proceedings. Provided, however, that agreements for negotiated rates may provide that the same percentage changes will not apply, if the Company provides justification for such non-applicability, and the Board finds it to be reasonable.
- (n) For all customers who become customers under this Rate Schedule EGS-LV after July 1, 2004, any increases or decreases to Rider “E” and Rider “T” shall be applicable to the Benchmark Rates, as well as negotiated rates.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 53

YARD LIGHTING SERVICE (YLS)

APPLICABLE TO USE OF SERVICE FOR:

Gas yard lighting where service is supplied through an installation furnished by the customer and approved by the Company. Each installation shall contain 1 upright mantle or 2 inverted mantles.

This rate is available only to an existing customer receiving service under this Rate Schedule, YLS, and not having other metered Service at the customer's present location as of the effective date of this Tariff.

CHARACTER OF SERVICE:

Firm Sales Service.

MONTHLY RATE:

The monthly charge shall be \$10.9562 per month for each installation.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within ten (10) days of the billing date.

TERM:

Customer may discontinue service upon adequate written notice to the Company.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 54

STREET LIGHTING SERVICE (SLS)

APPLICABLE TO USE OF SERVICE FOR:

Gas Street lighting where service is supplied through an installation approved by the Company. Each installation shall contain three (3) inverted mantles.

This rate is available only to an existing customer receiving service under this Rate Schedule, SLS, and not having other metered service at the customer's present location as of the effective date of this Tariff.

CHARACTER OF SERVICE:

Firm Sales Service.

MONTHLY RATE:

The Monthly Rate shall be \$14.0729 per month for each installation.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within ten (10) days of the billing date.

TERM:

Customer may discontinue service upon adequate written notice to the Company.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 55

INTERRUPTIBLE GAS SERVICE (IGS)

APPLICABLE TO USE OF SERVICE FOR:

Interruptible uses of gas by all customers.

CHARACTER OF SERVICE:

Interruptible Sales Service.

Service will be provided when the Company in its sole reasonable discretion deems sufficient gas supplies to be available for said service. Service may be interrupted or curtailed at the sole option of the Company after not less than three (3) hours advanced notice by telephone or otherwise. During periods of interruption, the Company may permit the continued use of gas for pilots. When permitted, such usage shall not be subject to the terms of Special Provision (b) of this rate schedule.

MONTHLY RATE:

- (a) The rate per therm of gas under this Rate Schedule, IGS, shall be designed to yield at least a profit of \$.01 per therm, after consideration of Costs Applicable.
 - (i) For a customer that certifies that it has, or is capable of having, an Alternate Fuel Capability of No. 6 oil, the appropriate price shall be that of No. 6 oil; or
 - (ii) For a customer that certifies that it has, or is capable of having, an Alternate Fuel Capability of No. 4 oil, the appropriate price shall be that of No. 4 oil; or
 - (iii) For a customer that does not certify that it has, or is capable of having, an Alternate Fuel Capability of No. 4 oil or No. 6 oil, the appropriate price shall be that of No. 2 oil.
 - (iv) For a Rate Schedule FES customer, the appropriate price shall be price at which said customer certifies that it is able to purchase fuels.
- (b) RESERVED FOR FUTURE USE.
- (c) The rate set under this Rate Schedule shall be established on or about the 27th day of each calendar month for the month succeeding said calendar month. Provided, however, that such rate shall be filed with the Board at least three (3) business days prior to its effective date.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 56

INTERRUPTIBLE GAS SERVICE (IGS)

(Continued)

APPLICABLE RIDERS:

Societal Benefits Clause:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may terminate service upon written notice to the Company, pursuant to the conditions of the Company's Standard Gas Service Agreement (IGS), if applicable, otherwise, in order to effectuate a termination, customer must provide adequate notice to the Company.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this Rate Schedule and this Rate Schedule shall be interpreted in accordance therewith.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 57

INTERRUPTIBLE GAS SERVICE (IGS)

(Continued)

SPECIAL PROVISIONS:

- (a) On or about the 27th day of each calendar month during months when the Company believes it is necessary to do so, the Company shall notify customers under this Rate Schedule of the volumes of gas to be allotted to each customer during the forthcoming month. Within five (5) days of receipt of such notice the customer must notify the Company in writing whether it will purchase all, some specific portion, or none of the allotted gas. The customer shall be obligated to purchase at least fifty percent (50%) of the amount which customer indicates it will purchase during the month. If the customer purchases less than fifty percent (50%), the customer will be billed for the difference between actual consumption and seventy-five percent (75%) at a rate equal to the Monthly BGSS charge. If the customer purchases more than 100% of the amount customer indicates it will purchase, or a greater amount if the customer is authorized to utilize a greater amount by the Company, the amount in excess of 100% will be deemed unauthorized and be subject to the charge in Special Provision (c) of this rate schedule. Provided, however, that the amount which the customer indicates it will purchase during the month shall be reduced to the extent that any unforeseen failure of equipment during such month results in reduced gas consumption by said customer.

Further provided, that if service under rate schedule IGS is interrupted during any month, the amount nominated by the customer to be purchased during the month will be reduced by multiplying said amount by a fraction: (1) the numerator of which is the number of days in the month less the number of days during the month in which the Company could not serve any interruptible gas to the customer; and (2) the denominator of which is the number of days in the month.

On any day that the Company does not offer to the customer at least fifty percent (50%) of the customer's daily nominated amount of IGS gas, the customer will receive credit for having used fifty percent (50%) of the daily nominated amount, when determining the purchase obligation under this Special Provision (a) provided that the customer uses some IGS gas on that day.

- (b) Any customer who does not accept gas offered under this Rate Schedule within the period of time allotted by the Company shall be deemed to have rejected such offer and waived all entitlements to the offered gas.
- (c) Due to system constraints, the Company may instruct any one or all IGS customers not to consume in excess of a Stated Amount of gas during a given twenty-four (24) hour period. Said instruction may be given orally or in writing. Any customer who then uses in excess of the Stated Amount may be invoiced for an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule IGS). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Daily Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 58

INTERRUPTIBLE GAS SERVICE (IGS)

(Continued)

- (d) At any time prior to the inception of billing of a filed rate for a given month, the Company may file a lower rate for that month to reflect market conditions. Any customer who accepts the Company's offer to use gas under this Rate Schedule within the period of time allotted by the Company shall be allowed the benefit of any rate decreases the Company may file pursuant to this provision.
- (e) Cogeneration equipment must be metered separately from all other gas that may be used in a customer's facility.
- (f) The Company may, in its reasonable discretion invoice a customer for the costs associated with metering cogeneration consumption.
- (g) As a condition precedent to service under this Rate Schedule IGS, written application will be required by the customer on either of the following, as appropriate: (1) Standard Gas Service Agreement (IGS); (2) Standard Gas Service Agreement (LV); (3) Standard Gas Service Agreement (GS); (4) Standard Gas Service Agreement (EGS); or (5) Standard Gas Service Agreement (ITS).
- (h) Any time during the month after a filed rate has been established and after adequate notice has been given to the Board and said customers, the Company may file a higher or lower rate. Any increase or decrease pursuant to this provision shall take place as necessary during any month, and then only upon three (3) hours' advance notice to customers by telephone or otherwise.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 59

INTERRUPTIBLE GAS SERVICE (IGS)

(Continued)

- (j) If a customer receives service under this rate schedule, and has propane facilities on its premises, the customer shall receive no benefit or priority of entitlement to gas allocations from the Company, unless said benefit or priority is provided by applicable State or Federal laws or regulations.
- (k) During a month the Company may determine that service rendered under this Rate Schedule IGS will not, on a monthly or seasonal basis (the winter season being December, January or February, and all else being the summer season) experience at least \$.01 profit per therm. In said event, the Company may determine that a deficit accounting balance exists and may impose a surcharge upon customers purchasing gas under this Rate Schedule IGS. The surcharge shall be assessed against customers purchasing gas under this Rate Schedule IGS, based upon volumes consumed during the month or months in which said deficit accounting imbalance arose.
- (l) As of November 1 of each year, customers purchasing gas pursuant to this Rate Schedule IGS whose alternate fuels are No. 2 oil, No. 4 oil, jet fuel or kerosene are required to have seven (7) days of Alternate Fuel Capability, or, if that customer's on-site Alternate Fuel Capability storage capacity is less than seven (7) days, then that customer must have its Alternate Fuel Capability filled to capacity, and must have an additional firm contractual alternate fuel supply arrangement, so that when the firm contractual alternate fuel supply arrangement is taken together with that customer's Alternate Fuel Capability on hand, the sum total shall equal seven (7) days. No customer shall be required to acquire or construct additional Alternate Fuel Capability storage capacity, in order to meet the terms of this Special Provision (l).
- (m) On or before November 1 of each year, each customer receiving gas pursuant to this Rate Schedule IGS must supply a Certification to the Company, certifying that the customer has met the requirements of Special Provision (l).
- (n) All customers receiving gas service pursuant to this Rate Schedule IGS, whose alternate fuel is not either No. 2 oil, No. 4 oil, jet fuel or kerosene, and all such customers who agree to suspend operations during an interruption of Rate Schedule IGS service, are not required to maintain Alternate Fuel Capability in accordance with Special Provision (l). However, all such customers must file a Certification with the Company, indicating the customer's alternate fuel, or indicating the customer's agreement to discontinue operations during an interruption of Rate Schedule IGS service.
- (o) Wholesale electric generators, including cogeneration customers, are exempt from the requirements of Special Provisions (l), (m) and (n) of this Rate Schedule IGS.
- (p) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff.
- (q) Any charges imposed pursuant to the above Special Provisions of this Rate Schedule IGS shall be in addition to other charges imposed pursuant to this Rate Schedule IGS.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 60

INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)

APPLICABLE TO USE OF SERVICE FOR:

Interruptible uses of gas to customers who hold clear and marketable title to gas that is made available for transportation service on the Company's system. Pursuant to this Rate Schedule ITS, the Company shall transport gas made available for transportation from the Company's City Gate Station to a designated point of delivery.

CHARACTER OF SERVICE:

Interruptible Transportation Service.

MONTHLY RATE:

Service Charge:

\$106.00 per month

Billable for the duration of the Standard Gas Service Agreement (ITS). The Service Charge will not be prorated.

Transportation Charge:

- (a) For transportation of gas by customers served under Rate Schedules CTS, LVS, FES, or EGS-LV or industrial customers who have an annualized average interruptible use of 200 Mcf or more per day:
\$.0329 per therm
- (b) For transportation of gas by customers served under Rate Schedules GSG or GSG-LV that certify that they have an Alternate Fuel Capability of No. 6 oil.
\$.1015 per therm
- (c) For transportation of gas not qualified for delivery under Paragraph (a) or (b) of this Transportation Charge:
\$.1651 per therm

Line Loss:

Line Loss shall be 2.80% as provided in Special Provision (n).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 61

INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)

(continued)

APPLICABLE RIDERS:

Societal Benefits Clause:

All gas consumed under this Rate Schedule ITS is subject to adjustment pursuant to Rider "E" of this Tariff.

Balancing Service Clause:

All gas transported under this Rate Schedule ITS is subject to balancing requirements pursuant to Rate Schedule CTS, Rider "I" or Rider "J" of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

TERM:

Customer may discontinue service upon written notice to the Company, pursuant to the conditions of the Company's Standard Gas Service Agreement (ITS).

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

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B.P.U.N.J. No. 9 - GAS

Original Sheet No. 62

INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)

(continued)

SPECIAL PROVISIONS:

- (a) Customer shall contract for ITS service with Company and designate a Scheduled Daily Delivery on the prescribed Standard Gas Service Agreement (ITS). For a period concurrent with the term of the Standard Gas Service Agreement (ITS), the customer must have executed at least one of the following: a Standard Gas Service Agreement (GS); a Standard Gas Service Agreement (LV); a Standard Gas Service Agreement (EGS); a Standard Gas Service Agreement (FES); or, a Standard Gas Service Agreement (IGS).
- (b) Gas transported under this Rate Schedule ITS shall be utilized solely in equipment for which the customer has, or is capable of having, an Alternate Fuel Capability.
- (c) The Company will not accept gas for delivery that will: (1) adversely impact the Company's rights to current or future supply or transportation allocations; or (2) impose any financial or burdensome administrative obligation on the Company that would not have existed without acceptance of such delivery by the Company.
- (d) The customer bears sole responsibility for costs incurred to deliver transportation gas to the Company's city gate station.
- (e) Customer shall be required to reimburse the Company for any out-of-pocket expenses incurred in connection with the initiation and rendering of service under this Rate Schedule ITS. If the Company has accepted gas for delivery under this Rate Schedule and as a result thereof it incurs any financial or burdensome administrative obligation, the Company may impose a surcharge therefore.
- (f) It is contemplated that service pursuant to this Rate Schedule ITS shall be provided within the existing limitations of Company's system, and Company shall not be required to expand or alter the said system.
- (g) Should Company, in its sole discretion, elect to expand or alter its system in order to provide service pursuant to this Rate Schedule ITS, Company may require the customer to make a payment towards all or a part of the cost of the said expansion or alteration as Company shall determine in Company's discretion. Provided, however, that before making such expansion or alteration, Company shall provide an estimate in writing of the cost of such expansion or alteration to customer. Customer shall then have the option of terminating the Transportation Service Agreement within ninety (90) days of the receipt of such estimate by written notice of termination. If customer does not so terminate, customer shall be required to make the payment required by this Special Provision (h). Further, provided, however, that the making of such a payment shall give the customer no interest in the Company's system. All rights, including the rights of ownership and possession, shall be vested exclusively in the Company.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 63

INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)

(continued)

- (h) Company retains sole reasonable discretion as to whether or not a particular customer or particular customers shall receive service pursuant to this Rate Schedule ITS.
- (i) Transportation Service may be curtailed or discontinued at the sole option of the Company after not less than three (3) hours, advance notice by telephone or otherwise. However, the customer shall continue to hold title to any gas (less line loss) received by Company and not delivered to customer prior to such curtailment or discontinuance.
- (j) The customer who anticipates a need for gas in excess of its daily firm requirements and designated Scheduled Daily Delivery for transportation, must nominate the excess level required, by advising the Company of its request to use such gas by no later than 9:00 AM of the day preceding such use. If the Company agrees to supply such nominated gas, it will do so pursuant to the provisions of its IGS Rate Schedule.
- (k) Gas consumption in excess of the nominated quantities described in Special Provision (k) of this Rate Schedule may be deemed unauthorized consumption and subject to the charges provided for in Special Provision (o) of this Rate Schedule. Provided, however, that the Company may waive such additional charge, in its sole reasonable discretion, if the customer demonstrates good cause for such consumption, and, such consumption does not adversely impact service to other customers. Further provided, however, that on any day during which gas receipts for a customer's account exceed gas utilized by the customer, after adjustment for line loss and sales authorized by the Company, such excess receipts will be subject to applicable balancing provisions of this Tariff.
- (l) For the purpose of calculating monthly bills, all firm gas requirements (gas deemed purchased, Firm Transportation Service gas, or customer owned gas delivered under rate schedules CTS, GSG, GSG-LV, LVS, EGS, EGS-LV or FES, or Riders thereto) shall be deemed "first through the meter" and will be billed before any volumes will have been deemed to be delivered under this Rate Schedule ITS. Gas consumed in excess of firm gas and the Scheduled Daily Delivery pursuant to this Rate Schedule ITS will be billed upon Rate Schedule IGS.
- (m) The receipt of gas by the Company for transportation under this Rate Schedule ITS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.
- (n) If gas is consumed for more than three (3) hours after a notice to discontinue or curtail service, and gas is not being simultaneously offered to the customer by the Company on an applicable interruptible sales rate schedule, such gas consumed shall be deemed as unauthorized use gas owned by the Company.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 64

INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)

(continued)

If gas is being simultaneously offered to the customer by the Company on an applicable interruptible rate schedule, the customer shall be billed for such gas consumed on said rate schedule.

- (o) Due to system constraints, the Company may instruct some or all ITS customers not to exceed the stated Scheduled Daily Delivery in the Standard Gas Service Agreement (ITS) during a given twenty-four (24) hour period. Said instruction may be given orally or in writing. Any customer who then uses in excess of its Scheduled Daily Delivery may be subject to an additional charge (in addition to the charges set forth in the Monthly Rate Section of this Rate Schedule ITS). Such additional charge shall equal ten (10) times the highest price of the daily ranges for that month that are published in the Gas Daily in the table "Gas Price Survey" for delivery to "Transco, zone 6 non-N.Y.". This charge shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of Transcontinental Gas Pipe Line Corporation. Provided, however, that the Company may waive such charges if a customer demonstrates extenuating circumstances. The imposition of such additional charges shall not restrict the Company's right to interrupt or curtail this service. This charge shall also be applicable to unauthorized use gas.
- (p) If a customer receives service under this rate schedule, and has propane facilities on its premises, the customer shall receive no benefit or priority of entitlement to gas allocations from the Company, unless said benefit or priority is provided by applicable State and Federal laws or regulations.
- (q) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff. The customer shall furnish an electrical supply and phone line for the operation of the device, in an area acceptable to the Company. The Company shall provide technical assistance in order to minimize the customer's expense for such installation.
- (r) A customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule ITS on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (s) In the event that a customer elects to take service under this Rate Schedule ITS on or after July 15, 1997, and has switched from a Sales Service rate schedule, the Transportation Charge applicable to that customer shall be as follows:

<u>Sales Service Previously Utilized</u>	<u>Transportation Charge Under Subparagraph (a)</u>	<u>Transportation Charge Under Subparagraph (b)</u>	<u>Transportation Charge Under Subparagraph (c)</u>
GSG	\$0.0540	\$0.1226	\$0.1862
LVS	\$0.0547	\$0.1233	\$0.1869
FES, EGS-LV and CS	\$0.0301	\$0.0987	\$0.1623
IGS customers who purchased their firm gas, if any, under Rate Schedules			
FES or CS	\$0.0301	\$0.0987	\$0.1623
Other IGS customers	\$0.0434	\$0.1120	\$0.1756

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INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)

(continued)

Provided, however, that this adjustment will not be made if the customer has only taken the Sales Service on a temporary basis. Sales Service is deemed taken on a temporary basis if a customer has utilized the service for no more than one month of the 12-month period immediately prior to the customer's transfer to this Rate Schedule ITS.

- (t) As of November 1 each year, customers transporting gas pursuant to this Rate Schedule ITS whose alternate fuels are No. 2 oil, No. 4 oil, jet fuel or kerosene are required to have seven (7) days of Alternate Fuel Capability, or, if that customer's on-site Alternate Fuel Capability is less than seven (7) days, then that customer must have an additional firm contractual alternate fuel supply arrangement, so that when the firm contractual alternate fuel supply arrangement is taken together with that customer's Alternate Fuel Capability on hand, the sum total shall equal seven (7) days. No customer shall be required to acquire or construct additional Alternate Fuel Capability storage capacity, in order to meet the terms of this Special Provision (t).
- (u) On or before November 1 of each year, each customer transporting gas pursuant to this Rate Schedule ITS must supply a Certification to the Company, certifying that the customer has met the requirements of Special Provision (t).
- (v) All customers transporting gas pursuant to this Rate Schedule ITS, whose alternate fuel is not either No. 2 oil, No. 4 oil, jet fuel or kerosene, and all such customers who agree to suspend operations during an interruption of Rate Schedule ITS service, are not required to maintain Alternate Fuel Capability in accordance with Special Provision (t). However, all such customers must file a Certification with the Company, indicating the customer's alternate fuel, or indicating the customer's agreement to discontinue operations during an interruption of Rate Schedule ITS service.
- (w) Wholesale electric generators, including cogeneration customers, are exempt from the requirements of Special Provisions (t), (u) and (v) of this Rate Schedule ITS.
- (x) Any charges imposed pursuant to the above Special Provisions of this Rate Schedule ITS shall be in addition to other charges imposed pursuant to this Rate Schedule ITS.

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SOUTH JERSEY GAS COMPANY

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RIDER "A" BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service
Rate Schedule GSG	-	General Service
Rate Schedule GSG-LV	-	General Service - Large Volume
Rate Schedule LVS	-	Large Volume Service
Rate Schedule EGS		Electric Generation Service
Rate Schedule EGS-LV	-	Electric Generation Service - Large Volume

APPLICABLE RATES:

Periodic BGSS Subrider (Effective July 1, 2004)¹:

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>	<u>Air Conditioning Credit Special Provision (9) 2004 (per therm)</u>
RSG	\$.7960	\$.8454	\$0.0512
GSG	\$.7960	\$.8454	\$0.0512

Monthly BGSS Subrider (Effective June 1, 2004):

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
LVS C-2	\$.8422	\$.8944
EGS	\$.8945	\$.8962
EGS-LV Firm C-2	\$.7999	\$.8014
EGS-LV Limited Firm C-2	\$.8684	\$.8700
GSG-LV	\$.8945	\$.9500

PERIODIC BGSS SUBRIDER

FILING:

This Subrider shall be applicable to all customers served under Rate Schedules RSG, and those GSG customers who do not meet the "Monthly Threshold". This Periodic BGSS Subrider shall recover gas costs associated with service to customers served under this Subrider.

The Company shall make an annual Periodic BGSS rate filing by no later than June 1st of each year, proposing a Periodic BGSS rate to be effective on or about the following October 1st. The Company shall have the discretion to file for two self-implementing rate increases, effective December 1st and February 1st, to its Periodic BGSS rate approved in the same BGSS Year. The purpose of each Periodic BGSS filing, shall be to recover gas costs pursuant to this Rider "A" and to achieve a zero or near-zero deferred balance by the following September 30.

¹ Reflects currently approved Total BGSS Rate.

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RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")
(Continued)

Each self-implementing rate increase will be subject to a cap which will limit the increase so that the benchmark residential bill, using 100 therms, will not increase by more than five percent (5%). The self-implementing rate increases shall be pre-conditioned upon written notice by the Company to the BPU Staff and to the Division of the Ratepayer Advocate, given no later than November 1 and January 1, of the intention to implement a self-implementing rate increase on or about December 1 and February 1, respectively. The Company shall provide in its written notice the approximate amount of the self-implementing rate increase, based upon then current market data. The Company shall have the discretion to implement a bill credit or a refund at any time during the BGSS Year with five (5) days notice to the BPU Staff and the Division of the Ratepayer Advocate. The Company shall have the discretion to file a self-implementing rate reduction without a cap at any time during the BGSS Year with two (2) weeks notice to the BPU Staff and the Division of the Ratepayer Advocate.

The notice of filing and of public hearing in the annual BGSS proceedings shall include the specific rate change proposed to be implemented on October 1st and a paragraph indicating that such proposed rates may be subject to self-implementing rate increases on or about the next December 1st and February 1st, subject to the 5% maximum caps for each of the two self-implementing increases. The notice shall also include the impact of such potential increases on a benchmark 100 therm residential bill.

The annual Periodic BGSS filing shall contain, but not be limited to, the following:

- (1) A reconciliation of actual versus estimated costs and revenues from the last Board approved rate change for commodity costs, storage costs, and interstate transportation costs, including the costs and results of any supplies set by hedges;
- (2) Projected rates supported by projected volumes, revenues, and commodity costs, transportation costs, storage costs and transaction costs, including the cost of supplies set by hedges;
- (3) Deferred balances and the timeframe over which they are proposed to be collected or returned;
- (4) A written explanation of the circumstances that caused the deferred balances in (3) above; and
- (5) A written explanation of any significant activities or trends which may affect costs for the prospective period.
- (6) Updated tariff sheets to reflect any change to the Periodic BGSS rate.

PERIODIC FORMULA:

The formula for determining the annual and self-implementing Periodic BGSS rates shall be the sum of the following:

- (1) A Commodity Cost which will be the sum of the weighted average prices including applicable transaction costs of the following categories of gas. Weighted average prices will be calculated based upon projected monthly volumes.

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RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")
(Continued)

- (a) an estimate of the cost of flowing gas, which will be equal to the arithmetic average of
 - (i) the NYMEX Henry Hub monthly prices as recorded on the close of trading for the forward contract month, estimated for the remaining BGSS Year; and
 - (ii) the weighted average of the estimated Index Prices, for the respective locations at which the Company purchases its gas, to be published in Inside FERC's Gas Market Report for the remaining BGSS Year; and
 - (b) any supplies whose price was previously set by hedges or other financial instruments; and
 - (c) supplies of gas withdrawn from storage.
- (2) An estimate of the variable costs of transportation and fuel and line loss shall be made for the remaining BGSS Year, to the extent not included in (1), above.
- (3) The Company shall estimate the total Firm Sales to be made during the remaining BGSS Year to customers served under this Subrider. The costs developed in Paragraphs (1) and (2) above shall be divided by such Firm Sales, in order to determine the per therm commodity cost recovery rate.
- (4) A Non-Commodity Cost component that includes gas costs other than the Commodity Cost of Gas, including but not limited to all fixed pipeline costs, fixed supplier costs, fixed storage costs, pipeline refunds and similar credits, and other credits directed by the Board. The Non-Commodity Cost component shall be calculated on an equal per-therm basis for the BGSS Year.
- (5) A deferred balance that will be returned to or recovered from customers over some future period.

MONTHLY BGSS SUBRIDER

FILING:

This Subrider shall be applicable to all customers served under Rate Schedules LVS, EGS, EGS-LV and GSG-LV and those customers served under Rate Schedule GSG who meet the Monthly Threshold. This Monthly BGSS Subrider shall recover gas costs associated with service to customers served under this Subrider.

The Company will file self-implementing Monthly BGSS rates on the second day following the close of trading of the NYMEX Henry Hub gas contracts for each month. Within each monthly filing, the Company will provide the following:

- (1) Documentation regarding the NYMEX Henry Hub close;
- (2) Supporting schedules that document the actual/projected costs and sales volumes used to derive the monthly gas cost factor; and

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RIDER "A" **BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")** **(Continued)**

MONTHLY FORMULA:

The formula for determining the Monthly BGSS rate shall be the sum of the following:

- (1) The Company will calculate a Commodity Cost which will be comprised of the sum of arithmetic average of
 - (i) the closing price of the NYMEX Henry Hub gas contract for the following month and
 - (ii) the weighted average of the estimated Index Prices, for the respective locations at which the Company purchases its gas, to be published in Inside FERC's Gas Market Report for the remaining BGSS Year. Further, the calculation will not include hedging.
- (2) An estimate shall be made of the variable costs of transportation and fuel and line loss for the subject month, to the extent not included in (1), above
- (3) A Non-Commodity Cost component that includes gas costs other than the Commodity Cost of Gas, including but not limited to all fixed pipeline costs, fixed supplier costs, fixed storage costs, pipeline refunds and similar credits, and other credits directed by the Board. The Non-Commodity Cost component shall be calculated on an equal per-term basis for the entire BGSS Year.

The result of the calculation from the Monthly Formula above shall be adjusted for Rate Schedules LVS and EGS-LV (Firm and Limited Firm) to derive the Monthly BGSS Rates by deducting therefrom the volumetric equivalent of the D-2 charges within the respective Rates Schedules. Said deductions shall be as follows:

<u>Rate Schedule</u>	<u>D-2 Deduction Including Taxes</u>
LVS	\$.0555
EGS-LV Firm	\$.0948
EGS-LV Limited Firm	\$.0262

SPECIAL PROVISIONS:

- (1) The self-implementing Periodic BGSS and Monthly BGSS rate filings will be self-implementing compliance filings. The implementation of the rates will not require any further Order of the Board.
- (2) Each self-implementing BGSS rate change will be posted on the Company's website within four (4) working days of its submission to the Board. Each other BGSS rate change will be posted on the Company's website within four (4) working days of receipt of a written order from the Board, approving such rate change.
- (3) Updated tariff sheets to reflect any change to the Monthly BGSS rate.

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SOUTH JERSEY GAS COMPANY

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RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")
(Continued)

(4) Interest shall be passed on to customers through the Periodic BGSS rate at the beginning of each BGSS Year succeeding any BGSS Year in which any monthly gas cost overrecovery has taken place. Any debit or credit balance in the separate deferred revenue or cost of gas accounts shall be determined monthly. Monthly interest shall be calculated on the average of the current and prior months' ending cumulative deferred revenue or cost of gas balances. Interest on such gas costs shall be calculated utilizing the Company's Board-allowed overall rate of return as the same shall be in effect from time to time.

(5) For the transition to the Monthly BGSS, the Company will estimate its net deferred balance as of March 1, 2003. Any underrecovery balance associated with Monthly BGSS customers will be collected over a period of up to twelve months based upon the estimated Firm Sales for the period. At the end of this period, if there is a remaining deferred cost balance to be recovered from the Monthly BGSS customers, the rate component used to recover such balance in the prior twelve month period shall be continued into future months until the deferred balance becomes positive as an overrecovery, which then will be transferred to the Periodic BGSS mechanism.

(6) Gas costs and related recoveries from the Monthly BGSS will flow to the deferred balance in the Periodic BGSS mechanism.

(7) As used in this Tariff, BGSS Year shall mean a twelve (12) month period commencing October 1 and ending September 30.

(8) "Left blank intentionally."

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RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")
(Continued)

(9) The Air Conditioning Credit will be determined by subtracting the average delivered summer commodity price ("summer price") from the annual commodity price as reflected in the RSG and GSG Firm Sales Service rates. The summer price will be determined by taking the average closing price for natural gas on the NYMEX, for the first fifteen (15) days of April, and the months of May through October, adjusted to a delivered price to the Company's City Gate Stations. In the event that the "summer price" exceeds the commodity cost of gas contained within the RSG and GSG Firm Sales Service rates, no credit will be made. The Company will file the Air Conditioning Credit and supporting documentation with the Board. Said filing will not require a formal Petition. The Air Conditioning Credit will be applied to Rate Schedule RSG customers using over 33 therms per month; to Rate Schedule GSG customers using over 250 therms per month; so long as such customers have installed gas air-conditioning as the primary cooling source on the customer's premises. The Air Conditioning Credit will be applied, as applicable, to the Periodic BGSS rate of eligible customers.

(10) As used in this Rider "A" the term "Monthly Threshold" shall mean an annualized usage of 100,000 therms or more. Provided, however, that effective July 1, 2006, the "Monthly Threshold" will be an annualized usage of 50,000 therms or more. During the Company's 2005-2006 BGSS proceeding, any party may make a proposal to further modify the "Monthly Threshold". Any such modification will be effective with an order emanating from the Company's 2006-2007 BGSS proceeding.

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SOUTH JERSEY GAS COMPANY

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RIDER "B"

FIRM MARKET ADJUSTMENT CLAUSE (FMAC)

APPLICABLE TO:

Rate Schedule GSG	-	General Service
Rate Schedule GSG-LV	-	General Service – Large Volume
Rate Schedule LVS	-	Large Volume Service
Rate Schedule CTS	-	Comprehensive Transportation Service
Rate Schedule FES	-	Firm Electric Service
Rate Schedule EGS	-	Electric Generation Service

This Rider "B" shall be known as the Firm Market Adjustment Clause (FMAC). The Firm Market Volumetric Charge portion of this Rider "B" shall be applicable to Rate Schedule FES. The Market Adjustment provisions are applicable to Rate Schedules GSG, GSG-LV, LVS, EGS and CTS customers.

APPLICABLE RATES:

<u>Rate Schedule</u>	<u>Rate Before Taxes</u>	<u>Rate With Taxes</u>
FES Firm C-2	\$.7306	\$.7320
FES Limited Firm C-2	\$.7306	\$.7320

Firm Market Volumetric Charge:

- (1) The Firm Market Volumetric Charge will be implemented by utilizing the cost of a specific supply of gas as defined in this Rider "B", as the C-2 Volumetric Charge for all sales services applicable to Rate Schedule FES.
- (2) The Firm Market Volumetric Charge applicable to Rate Schedule FES shall be adjusted to reflect line loss by increasing the cost of the specific supply of gas by the line loss percentage. The line loss factor to be utilized will be the Company-wide line loss percentage unless it is subject to discount as set forth in this Rider "B".

Line Loss: Line loss shall be 2.80%, before any discount.

- (3) A specific supply of gas as utilized in this Rider "B" will be the average price of commodity gas purchased during bid week of each month, on a variable delivered price basis at the Company's City Gate Station. The term specific supply of gas excludes supplies purchased to serve and allocated to a specific market other than the FMAC market.
- (4) The Firm Market Volumetric Charges shall be filed with the Board on a monthly basis.
- (5) At anytime during the month after the Firm Market Volumetric Charges have been established, the Company may file a higher or lower rate to reflect changes or anticipated changes in gas costs. Such change may only be made after notice shall have been given to the Board and affected customers. The Firm Market Volumetric Charges may be revised at the sole option of the Company after not less than 3 hours advance notice by telephone or otherwise.

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RIDER "B"

**FIRM MARKET ADJUSTMENT CLAUSE (FMAC)
(CONTINUED)**

- (6) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff.

Market Adjustment:

- (7) The Company, in its sole reasonable discretion may offer GSG or GSG-LV Firm Sales Service customers, EGS Firm Sales Service customers, or LVS Firm Sales Service customers an FMAC discount to reflect market conditions. Fifty percent (50%) of the FMAC Discount will reduce the BGSS monthly rate or BGSS D-2 component of the customer's monthly rate and fifty percent (50%) will reduce the applicable Delivery Charge or D-1 or D-1FT Charge portion of the customer's monthly rate. In no event will any rate be reduced below the Transitional Energy Facility Assessment ("TEFA") component plus applicable taxes within said rate.

Because there are no BGSS charges applicable to Firm Transportation Service customers served under Rate Schedules GSG, GSG-LV, EGS, LVS and CTS, the Company, in its sole reasonable discretion, may offer such Firm Transportation Service customers served under Rate Schedules GSG, GSG-LV, EGS, LVS or CTS a Delivery Charge or D-1FT Charge lower than the standard charges set forth in said rate schedules to reflect competitive market conditions without respect to the 50%/50% provisions as set forth in the paragraph above. The lower charges may only be offered if the customer certifies to the Company, to the Company's satisfaction, that such reductions are necessary to meet competitive market conditions.

If an offer of a discount is made and accepted under this Paragraph (7), the Company must provide notice within thirty (30) days of such acceptance to the Staff of the Board and to the Division of the Ratepayer Advocate. In addition, notice must be included in the Company's filing of a BGSS proceeding or base rate proceeding which immediately follows the offering and acceptance of such a discount. The notice contained within such filing shall also contain the Company's justification for offering such a discount. If the Company seeks to recover any revenues lost as a result of such discount in a future base rate proceeding, it shall explain the justification for the recovery of such lost revenues.

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RIDER "C"
TRANSPORTATION INITIATION CLAUSE (TIC)

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service
Rate Schedule GSG	-	General Service

This Rider "C" shall be known as the Transportation Initiation Clause (TIC) and will be charged to all RSG and GSG customers.

PURPOSE OF RIDER "C":

The purpose of the TIC is to enable the Company to recover both capital expenditures and operating costs associated with Electronic Data Interchange (EDI), including consulting costs and transaction costs.

ANNUAL TIC FILING:

On or about August 31 of each year, to be effective the next succeeding November 1, the Company shall file with the Board a proposed TIC rate. The TIC filing will be based upon the costs and expenditures incurred during the previous August 1 through July 31. The costs proposed for recovery will be subject to review for reasonableness, and to assure that they are costs associated with EDI, and not costs which would have been spent for computer upgrades, irrespective of the implementation of EDI.

TIC costs shall be calculated by utilizing the total capital expenditures and operating costs associated with the EDI process, including consulting and transaction costs, net of the TIC over or underrecovery balance, applying monthly carrying costs to the resulting amount using the interest rate applicable to the Company's SBC underrecoveries and overrecoveries. The resulting TIC costs shall be divided by the annual forecasted volumes for the rate classes set forth above. The resulting rate shall be adjusted for all applicable taxes and assessments.

The TIC shall be collected on a per therm basis and shall remain in effect until changed by order of the Board. The TIC charge will be:

\$0.0002 per therm

The TIC will be recovered through the Delivery Charge of each of the rate schedules referred to above, and will subject to deferred accounting.

The TIC will remain in effect until the Company's next base rate case, or until such time as the Board, upon petition by any interested party, shall issue an order terminating the TIC. Recovery of some or all operating costs shall be subject to reevaluation as to the appropriateness of recovery of such costs through the TIC within two years of implementation of the TIC, or such earlier time as the Board may establish on its own motion, or, upon petition by any interested party

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RIDER "D"
CUSTOMER OWNED GAS CLAUSE (COGC)

APPLICABLE TO:

Rate Schedule EGS-LV	-	Electric Generation Service - Large Volume
Rate Schedule FES	-	Firm Electric Service

This Rider "D" shall be known as the Customer Owned Gas Clause (COGC) and may be offered by the Company, in the Company's sole reasonable discretion to all EGS-LV and FES customers, who hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system. Pursuant to this Rider "D" the Company shall deliver gas made available at the Company's City Gate Station to a designated point of delivery. The character of service under this Rider "D" is Firm Transportation Service.

- (1) Customers receiving gas under this Rider "D" shall not pay the C-2 portion of the Volumetric Rate but shall pay all other rates, charges and fees of the applicable Rate Schedule.
- (2) The receipt of gas by the Company for transportation under this Rider "D" shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will be the Company-wide line loss percentage.
- (3) Any gas delivered by the Company under this Rider "D" shall be deemed gas purchased by a customer under the applicable rate schedule. The terms and conditions of said rate schedule shall be applicable thereto.
- (4) The Company will not accept gas for delivery that will: (1) adversely impact the Company's rights to current or future supply or transportation allocations; or (2) impose any financial or burdensome administrative obligation on the Company that would not have existed without acceptance of such delivery by the Company.
- (5) The customer bears sole responsibility for costs incurred to deliver customer owned gas to the Company's city gate station.
- (6) Customer shall be required to reimburse the Company for any out-of-pocket expenses incurred in connection with the initiation and rendering of service under this Rider D. If the Company has accepted gas for delivery under this Rate Schedule and as a result thereof it incurs any financial or burdensome administrative obligation, the Company may impose a surcharge therefor.
- (7) Company retains sole discretion as to whether or not a particular customer or particular customers shall receive service pursuant to this Rider D.
- (8) The Company may install an electronic data collection system pursuant to Section 6.1 of the General Terms and Conditions of this Tariff.

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RIDER "D"

CUSTOMER OWNED GAS CLAUSE (COGC)

(Continued)

- (9) The existence of imbalances will be determined each day. If at the beginning of a day a customer has an imbalance, the gas to fulfill that customer's daily Contract Demand for that day will be the first gas through the meter on that day.
- (10) The Company may waive any charges associated with imbalances, in its sole reasonable discretion, if the customer demonstrates good cause for such imbalances, if the customer presents a plan for eliminating such imbalances, and such plan will not adversely impact service to other customers. The Company may require that such plan be implemented in full, and completed, within a time period specified by the Company in order for such a waiver to take place.
- (11) A customer may supply its own interstate pipeline capacity, upon authorization by the Company. The Company may grant such authorization in its sole, reasonable discretion. Should an FES or EGS-LV customer supply its own interstate pipeline capacity, gas delivered to the Company's City Gate Station within that capacity may result in a credit against the D-2 charge. The D-2 charge shall be reduced by a credit which is equal to the amount which the customer pays to the interstate pipeline for such capacity. Provided, however, that no credit shall take place in the event that the interstate pipeline capacity supplied by the customer, has been acquired from sources other than the Company. For FES or EGS-LV customers the credit will be calculated as a demand charge per Mcf. The credits provided for by this Paragraph (11) will not affect any other applicable charges referred to in Paragraphs (1) and (2) of this Rider "D".
- (12) A customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rider "D" on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.

BALANCING SERVICE CLAUSE:

All customer owned gas delivered pursuant to this Rider "D" is also subject to Rider "I" of this Tariff.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 77

RIDER "E"
SOCIETAL BENEFITS CLAUSE (SBC)

APPLICABLE TO:

Rate Schedule RSG	- Residential
Rate Schedule GSG	- General Service
Rate Schedule GSG-LV	- General Service – Large Volume
Rate Schedule CTS	- Comprehensive Transportation Service
Rate Schedule LVS	- Large Volume Service
Rate Schedule FES	- Firm Electric Service
Rate Schedule EGS	- Electric Generation Service
Rate Schedule EGS-LV	- Electric Generation Service - Large Volume
Rate Schedule IGS	- Interruptible Gas Service
Rate Schedule ITS	- Interruptible Transportation Service

This Rider "E" shall be known as the Societal Benefits Clause (SBC). The SBC is established pursuant to the provisions of Section 12 of the "Electric Discount and Energy Competition Act", P.L. 1999, c.23. The SBC shall recover: (1) the costs of the Company's Clean Energy Program; and (2) the costs which the Company incurs in connection with manufactured gas plant remediation; and (3) the costs to the Company for consumer education, as determined by the Board; (4) the cost incurred for the statewide Universal Service Fund ("USF") Permanent and Lifeline Credits and Tenants Assistance Program established by Board Order dated July 16, 2003 in docket No. EX000200091; and (5) other costs determined by the Board to be recoverable through the SBC.

Interest on SBC underrecoveries and overrecoveries will be calculated at an interest rate ("Interest Rate") which will be adjusted each August 31, and will be based upon seven year constant maturity treasuries as shown in the Federal Reserve Statistical Release on or closest to August 31 of each year, plus sixty (60) basis points. In addition, the Company recovers Manufactured Gas Plant ("MGP") Environmental Remediation Costs through Rider "G" of this Tariff. These Remediation Costs are recovered over periods of seven years, and the Company shall recover interest on resulting unamortized balances at the Interest Rate.

A petition to establish the Societal Benefits Clause will be filed with the Board on or about July 31, of each year.

REMEDATION ADJUSTMENT CLAUSE AND CLEAN ENERGY PROGRAM CLAUSE:

The Remediation Adjustment Clause ("RAC") shall be calculated in accordance with the provisions of Rider "G" of this Tariff and the Clean Energy Program ("CLEP") Clause shall be calculated in accordance with the provisions of Rider "K" of this Tariff. The charges developed pursuant to Riders "G" and "K" shall be recovered through, and as part of, the SBC. All gas consumed or transported under Rate Schedules RSG, GSG, GSG-LV, EGS, EGS-LV, CTS, LVS, FES, , IGS and ITS shall recover the RAC, in accordance with this Rider "E". All gas consumed or transported under Rate Schedules RSG, GSG, GSG-LV, CTS , LVS, FES, EGS, EGS-LV and ITS shall recover the CLEP, in accordance with this Rider "E".

CONSUMER EDUCATION CHARGE AND OTHER RECOVERABLE EXPENSES :

Consumer Education Charges for the costs of consumer education, as well as such other expenses as the Board shall determine to be appropriate for recovery pursuant to the SBC, shall be recovered through, and as part of the SBC. All gas consumed or transported under Rate Schedules RSG, GSG, GSG-LV, EGS, CTS and ITS shall recover Consumer

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SOUTH JERSEY GAS COMPANY

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RIDER "E"
SOCIETAL BENEFITS CLAUSE (SBC)
(Continued)

Education costs, as well as such other expenses as the Board shall determine to be appropriate for recovery pursuant to the SBC.

UNIVERSAL SERVICE FUND:

Pursuant to the "Electric Discount and Energy Competition Act", N.J.S.A. 48:3-49, the Board established the Permanent Universal Service Fund ("USF") and the Lifeline Credit and Tenants Assistance Program ("Lifeline") both of which will be collected from Rate Schedules RSG, GSG, GSG-LV, EGS, EGS-LV, CTS, LVS, FES, IGS, and ITS. The USF and Lifeline factors established in this Rider "E" were set forth by the Board.

Pursuant to Section 12b of the "Electric Discount and Energy Competition Act", N.J.S.A. 48:3-60b, the Board established an Interim Universal Service Fund. All gas consumed under Rate Schedules RSG, GSG, GSG-LV, EGS, EGS-LV, CTS, LVS and FES shall recover the Company's contributions toward the Universal Service Fund (over a twelve month period on a forecasted basis in accordance with this Rider "E").

Rates subject to this Rider have been adjusted to recover the following Societal Benefit Charges:

<u>Rate Schedule and Appropriate Rate</u>		<u>RAC</u>	<u>CLEP</u>	<u>Consumer Education Charge</u>	<u>USF (Including Lifeline)</u>	<u>SBC</u>
Rate Schedule RSG	Delivery	.0027	.0142	.0029	.0078	.0276
Rate Schedule GSG	Delivery	.0027	.0142	.0029	.0078	.0276
Rate Schedule GSG-LV	Delivery	.0027	.0142	.0029	.0078	.0276
Rate Schedule EGS	Delivery	.0027	.0142	.0029	.0078	.0276
Rate Schedule EGS-LV	C-1	.0027	.0142	N/A	.0078 ⁽¹⁾	.0247
Rate Schedule CTS	C-1FT	.0027	.0142	.0029	.0078	.0276
Rate Schedule LVS	C-1/C-1FT	.0027	.0142	N/A	.0078	.0247
Rate Schedule FES	C-1FT	.0027	.0142	N/A	.0078	.0247
Rate Schedule IGS	Monthly Rate	.0027	N/A	N/A	.0078	.0105
Rate Schedule ITS	Monthly Rate	.0027	.0142	.0029	.0078	.0276

⁽¹⁾ This element of the Societal Benefits Charge will not be applicable to those customers with special existing contracts limiting their rate exposure, until the expiration of those contracts, in accordance with the Orders of the Board of Public Utilities in Docket No. EX00020091.

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SOUTH JERSEY GAS COMPANY**B.P.U.N.J. No. 9 - GAS****Original Sheet No. 79****RIDER "F"****TEMPERATURE ADJUSTMENT CLAUSE (TAC)****APPLICABLE TO:**

Rate Schedule RSG - Residential Service
 Rate Schedule GSG - General Service
 Rate Schedule GSG-LV - General Service – Large Volume

- (a) This Rider "F" shall be known as the Temperature Adjustment Clause (TAC). It shall be utilized to adjust the Company's revenues in cases wherein temperatures experienced during a Base Year yield more or less degree days than were experienced on a twenty-year normal basis, plus or minus one-half (1/2%) percent of the sum of the Cumulative Normal Degree Days, for the twenty-year period utilized in the Company's then most recent base rate case. This adjustment will be effectuated through a credit or surcharge applied to customers' bills during the year succeeding the Base Year, which succeeding year shall be known as the Adjustment Year. The credit or surcharge will also be adjusted to reflect Base Year under recoveries or over recoveries pursuant to this TAC.
- (b) Each Base Year, and each Adjustment Year shall begin on October 1 and end on May 31 and shall include only the months of October, November, December, January, February, March, April and May.
- (c) The Company will determine on a monthly basis, Degree Days, Cumulative Degree Days, Normal Degree Days, Cumulative Normal Degree Days, Deadband Degree Days and Cumulative Deadband Degree Days for each month during the Base Year. Cumulative Deadband Degree Days will be added to or subtracted from Cumulative Normal Degree Days to yield an Upper Level or Lower Level Degree Day Threshold. If the experienced cumulative Degree Days at the end of a Base Year month is higher than the Upper Level of the Degree Day Threshold, or lower than the Lower Level, a Degree Day Adjustment will be made. The factors for use in this TAC are based on the 20-year average calculated in Docket No. GR03080683, and are based upon information obtained from the National Oceanic and Atmospheric Administration ("NOAA"), and will be adjusted in future base rate proceedings. Should a NOAA station utilized by the Company be abandoned, become inoperable, or otherwise become unusable, the Company may substitute data from a nearby NOAA station. When this becomes necessary, the Company will promptly notify the Staff of the Board and the Division of the Ratepayer Advocate. The factors for the TAC are as follows:

	<u>Normal Degree Days</u>	<u>Cumulative Normal Degree Days</u>	<u>Deadband Degree Days</u>	<u>Cumulative Deadband Degree Days</u>
Oct.	263	263	1	1
Nov.	522	785	3	4
Dec.	826	1,611	4	8
Jan.	947	2,558	5	13
Feb.	799	3,357	4	17
Mar.	683	4,040	3	20
Apr.	386	4,426	2	22
May	147	4,573	1	23
TOTAL	4,573			23

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 80

RIDER "F"

TEMPERATURE ADJUSTMENT CLAUSE (TAC)

(Continued)

Degree Day Threshold

	<u>Upper Level</u>	<u>Lower Level</u>
Oct.	264	262
Nov.	789	781
Dec.	1,619	1,603
Jan.	2,571	2,545
Feb.	3,374	3,340
Mar.	4,060	4,020
Apr.	4,448	4,404
May	4,596	4,550

- (d) The Degree Day Adjustment will be multiplied by a Degree Day Consumption Factor to derive the Therm Adjustment. The Degree Day Consumption Factor will be determined by first determining a factor for actual heat sensitive use per degree day per customer, for Rate Schedule RSG, and Rate Schedules GSG and GSG-LV heating load based upon actual usage on a cumulative basis through the end of each Base Year.
- (c) The Therm Adjustment will be multiplied by the margin in the respective rate classes resulting in the adjustment to revenue. The margin is then calculated by adjusting out gas costs and associated revenue taxes. This calculation will take place only after Base Year months when the cumulative number of degree days at the end of the Base Year month is higher than the Upper Level of the Degree Day Threshold, or lower than the Lower Level.
- (f) On or before August 31 of each Base Year, the Company will file in a petition with the Board, a proposed adjustment factor ("TAC Factor") to be effective in the Adjustment Year following the then current Base Year. The proposed factor shall be the same for each rate schedule and shall be derived based upon the outstanding adjustment after May of each Base Year as developed in Paragraph (e), divided by the projected sales and transportation volumes for both rate schedules. The TAC Factor will be expressed as a rate per unit of sale. The TAC Factor will be effectuated through a credit or surcharge applied to customers' bills during the Adjustment Year. The credit or surcharge will also be adjusted to reflect over or under recoveries from the previous TAC year. The TAC Factor will be effective with the commencement of the Adjustment Year. At the end of the Adjustment Year, the TAC factor will terminate and the Company will file tariff pages with the Board reflecting this termination. It is subject to an earnings review analysis set forth in the Stipulation accepted by the Board in Docket No. GR91071243J.

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SOUTH JERSEY GAS COMPANY

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RIDER "F"

TEMPERATURE ADJUSTMENT CLAUSE (TAC)

(Continued)

The TAC Factor shall apply to all gas sold and transported under Rate Schedules RSG, GSG and GSG-LV.

The charge will be applied to the Rate Schedule RSG, GSG and GSG-LV Delivery Charges as follows:

	<u>Per Therm</u>
TAC Factor per therm	\$0.0000
Applicable Revenue Tax Factor	<u>1.0019</u>
TAC Factor Per Therm	\$0.0000
Applicable NJ Sales Tax Factor	<u>1.06</u>
TAC Factor Per Therm with NJ Sales Tax	<u>\$0.0000</u>

- (g) The Temperature Adjustment Clause shall not operate to cause the Company to earn in excess of its allowed rate of return on common equity of 10.00% for any twelve month period ending October 31; any revenue which is not recovered will not be deferred. For purposes of this paragraph (g), the Company's rate of return on common equity shall be calculated by dividing the Company's net income for such annual period by the Company's average 13 month common equity balance for such annual period, all data as reflected in the Company's monthly reports to the Board of Public Utilities. The Company's net income shall be calculated by subtracting from total net income the Company's share of margins from: (1) Interruptible Sales; (2) Interruptible Transportation; (3) On-System Capacity Release; and (4) Off-System Sales and Capacity Release.
- (h) As used in this Rider "F", the following terms shall have the meanings ascribed to them herein:
- (i) **"DEGREE DAYS"** is the difference between 65F and the daily mean temperature, on days when the daily mean temperature is below 65F. The daily mean temperature is the simple average of the 24 hourly temperature observations for a day taken at each of the National Oceanic and Atmospheric Administration Measuring points used by the Company. The sum of these differences for every day of the month is total degree days for that month.

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RIDER "F"

TEMPERATURE ADJUSTMENT CLAUSE (TAC)

(Continued)

- (ii) **"CUMULATIVE DEGREE DAYS"** is the accumulation of total degree days for each month in the Base Year.
- (iii) **"NORMAL DEGREE DAYS"** is the level of calendar month degree days to which test year sales volumes were normalized in the base rate proceeding that established the current base rates for the service classifications to which this clause applies.
- (iv) **"CUMULATIVE NORMAL DEGREE DAYS"** is the accumulation of normal degree days for each month in the Base Year.
- (v) **"DEADBAND DEGREE DAYS"** shall be one-half (1/2%) percent of the Normal Degree Days.
- (vi) **"CUMULATIVE DEADBAND DEGREE DAYS"** shall be one-half (1/2%) percent of the Cumulative Normal Degree Days.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 83

RIDER "G"
REMEDATION ADJUSTMENT CLAUSE (RAC)

APPLICABLE TO:

Rider "E" - Societal Benefits Clause

Ninety days prior to November 1 of each year, the Company shall file with the Board of Public Utilities a Remediation Adjustment Clause (RAC) factor based on remediation costs and third party expenses/claims in the preceding Remediation Year. The RAC factor shall be recovered through, and as part of, the Societal Benefits Clause, Rider "E" to this Tariff.

The RAC Factor will be determined as follows:

I. Definition of Terms Used Herein

1. "Remediation Costs" are defined as all investigations, testing, land acquisition if appropriate, remediation and/or litigation costs/expenses or other liabilities excluding personal injury claims and specifically relating to gas manufacturing facility sites, disposal sites, or sites to which material may have migrated, as a result of the operation or decommissioning of gas manufacturing facilities.
2. "Recovery Year" is defined as each November 1 to October 31 period on a going forward basis, and is the time period over which annual amortizations shall be recovered from customers pursuant to this Rider "G".
3. "Remediation Year" is defined as each August 1 to July 31 period on a going forward basis, and is the time period over which the Remediation Costs are incurred.
4. "Third Party Claims" are all claims brought by the Company against any entity, including insurance companies, from which recoveries of costs may be received and will be charged through the RAC Factor as follows:
 - a) Fifty percent (50%) of the reasonable transaction costs and expenses in pursuing Third Party Claims shall be included as Remediation Costs and shall be recovered as part of the Remediation Adjustment Clause. The remaining 50% shall be deferred without carrying costs until such time as the specific claim is resolved.
 - b) In the event that the Company is successful in obtaining a recovery from a Third Party Claim, the Company shall be permitted to retain the deferred 50% share of the reasonable transaction costs and expenses from the recovery associated with that Third Party Claim. The balance of the recovery, if any, shall be applied against the current year's Remediation Costs to be recovered from or credited to ratepayers through the next amortization calculation.
5. "Before Tax Cost Rate" (BTCR) is the result of the calculation of the weighted cost of capital allowed in the Company's most recent base rate case minus the weighted cost of debt allowed in the Company's most recent base rate case divided by one minus the combined tax rate, plus the weighted cost of debt.
6. "Deferred Tax Benefit" (DTB) shall be returned to ratepayers during each Recovery Year in an amount equal to those given by the formula:

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RIDER "G"

REMEDATION ADJUSTMENT CLAUSE (RAC)

(Continued)

$$DTB_{n,YR} = ARC_n \cdot [(7-X)/7] \cdot BTCR_{yR} \cdot TR_{YR}$$

Where:

DTB = The amount of the Deferred Tax Benefit in Recovery Year YR that is to be subtracted from one seventh the amount of the Remediation Costs incurred in Remediation Year n and which is to be recovered in Recovery Year YR.

ARC_n = The amount of the Actual Remediation Costs incurred in remediation year n.

X = The number of years that the Actual Remediation Costs incurred in remediation year n have been subject to amortization (X = 1, 2, 3... 6).

BTCR_{Yr} Rate = The Before Tax Cost rate which shall be equal to the Before Tax Cost of capital allowed in the Company's most recent base rate case.

Try_R = The effective combined Federal and State income tax rate.

7. Sale of Property

a) Generally - Should the Company sell a former manufactured gas plant site, any proceeds of such sale, exclusive of all reasonable expenses associated with such sale and taxes directly related to the sale, but not delinquent real estate taxes, up to the total costs incurred in remediating the specific site, shall be applied against the current year's Remediation Costs to be recovered from or credited to ratepayers. In the event that any proceeds are available above the total Remediation Costs of the site, the balance of the proceeds shall then be shared equally between the Company and the ratepayers.

b) Atlantic Avenue - In the event that the Company sells its property at Atlantic Avenue (and Michigan Avenue), the Company and its ratepayers shall each be entitled to a fifty percent (50%) share of the net proceeds of sale. As to the Atlantic Avenue, net proceeds shall equal gross proceeds less the sum of (1) net book cost as of the closing of sale; (2) costs of sale including professional fees, real estate commissions, taxes and title insurance; and (3) Remediation Costs previously paid by ratepayers relative to Atlantic Avenue.

The gross proceeds of sale shall be first applied to net book cost of the property, then to costs of sale. The Environmental Response costs shall be shared as provided in a), Generally, above. Any excess over Remediation Costs recovered at Atlantic Avenue shall then be shared equally between the Company and its ratepayers as provided in a), Generally, above. Any Remediation Costs incurred after a sale of Atlantic Avenue Property shall be treated as Remediation Costs.

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SOUTH JERSEY GAS COMPANY

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RIDER "G"

REMEDIATION ADJUSTMENT CLAUSE (RAC)

(Continued)

- c) If the Company intends to sell a former manufactured gas plant site, it shall notify and provide the Board with details of any proposed sale at least sixty (60) days prior to any such sale.

II. Determination of the Remediation Adjustment

At least ninety (90) days prior to the commencement of each Recovery Year, the Company shall, among other material, file with the Board and serve upon Rate Counsel, and such other Parties as shall request the same, all bills and receipts relating to as well as a schedule depicting the particular purpose for the expenditure of the amount of any Remediation Costs incurred in the preceding Remediation Year for which it seeks to begin recovery in the upcoming Recovery Year, for each remediation site and a calculation of the proposed Remediation Adjustment Clause level. In that same filing, the Company shall include similar material and information to support any costs/expenses and/or recoveries resulting from Third Party Claims or sales of remediated gas manufacturing sites. The Company shall also submit in its annual filing a projection of Remediation Costs for the following Remediation Year. In addition, the Company will include a listing and status of applicable insurance policies for each site.

The RAC factor shall be calculated by taking one seventh of the Actual Remediation Costs plus applicable Third Party Claims and Sale of Property allocations incurred each year, until fully amortized, less the Deferred Tax Benefit plus the prior years' RAC remediation adjustment. This amount is then divided by the Company's total volume of prospective sales for the upcoming recovery year.

All gas consumed under Rate Schedules RSG, GSG, GSG-LV, CTS, LVS, FES, EGS, EGS-LV IGS and ITS shall recover Remediation Costs. The charge brought forward to Rider "E" for these Rate Schedules is as follows:

	<u>RSG, GSG, GSG-LV,</u> <u>EGS, EGS-LV, LVS, FES</u> <u>CTS, IGS and ITS</u>
Average Cost per therm	\$.0025
Applicable Revenue Tax Factor	<u>1.0019</u>
RAC Per Therm	\$.0025
Applicable NJ Sales Tax Factor	<u>1.06</u>
RAC Per Therm with NJ Sales Tax	<u>\$.0027</u>

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RIDER "G"

REMEDIATION ADJUSTMENT CLAUSE (RAC)
(Continued)

The total annual charge to the Company's ratepayers for Remediation Costs during any Recovery Year shall not exceed five (5) percent of the Company's total revenues from firm gas sales and firm transportation during the preceding Remediation Year. In the event that the total annual charge to the Company's ratepayers for Remediation Costs during any Recovery Year exceeds 5% of the Company's total revenues from firm gas sales and firm transportation during the preceding Remediation Year, the Parties agree that, upon the request of any Party, the Board may reopen consideration of the instant mechanism. If no reopening occurs, and in the event that this limitation results in the Company recovering less than the amount that would otherwise be recovered in a particular Recovery Year, beginning with the date upon which the annual charge would have been effective, carrying costs shall accrue to the Company upon the amount by which the total annual charge to its ratepayers is less than that otherwise allowable.

Carrying costs shall accrue through the Recovery Year in which such amount, together with any accumulated carrying costs, is actually recovered by the Company from its ratepayers and shall accrue at the Before Tax Cost Rate allowed in the Company's most recent base rate case.

III. Tracking the Operation of the Remediation Adjustment Clause

The revenues billed, net of taxes and assessments through the application of the Remediation Adjustment factor shall be accumulated for each month and be applied against the total amortized Remediation Costs calculated for that year. The Remediation Adjustment Clause shall be reconciled annually, with the amount of any projected over- or under-collection to be debited or credited to the total annual Remediation Adjustment Clause level for the following Recovery Year. The over- or under-collection will be based on 10 months actual data and 2 months projected data for the Recovery Year.

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SOUTH JERSEY GAS COMPANY

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RIDER "H"

ECONOMIC DEVELOPMENT RATE CLAUSE (EDR)

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service
Rate Schedule GSG	-	General Service
Rate Schedule GSG-LV	-	General Service Large Volume
Rate Schedule LVS	-	Large Volume Service customers who made application to the Company, in writing, prior to December 31, 1988.

This Rider "C" shall be known as the Economic Development Rate Clause (EDR). The EDR allows the Company to offer service under applicable rate schedules at commodity rates lower than those described in the "MONTHLY RATE" section of said rate schedules. Lower rates under this Rider "C" are available to Firm Sales Service customers served under Rate Schedules GSG, GSG-LV, and LVS. Lower rates under this Rider "C" are available to Firm Sales Service customers served under Rate Schedule RSG who meet the requirements of Paragraph (9) and (10).

- (1) This Rider "C" is only available to those LVS customers availing themselves of Rider "C" on or before December 31, 1988.
- (2) The Company shall classify a customer's facility as either a New Facility or an Existing Facility for purposes of the Standard Gas Service Agreement (EDR). In the case of an Existing Facility, the base period billings shall be specified in the Standard Gas Service Agreement (EDR).
- (3) The Company will only accept two hundred (200) applications for service under this Rider "C", from customers served under Rate Schedule GSG and GSG-LV.
- (4) Customer may apply for service to a Qualifying Facility, under this Rider "C" only once.
- (5) The Economic Development Rate shall be computed for service at all New Facilities by applying a reduction of \$.02 per therm to the C-3 commodity rate depicted in the "MONTHLY RATE" section of Rate Schedules GSG and GSG-LV. A credit of \$.02 per therm will be applied to all consumption billed under the "MONTHLY RATE" section of Rate Schedule LVS.
- (6) The Economic Development Rate shall be computed for service to all Existing Facilities by applying a reduction of \$.02 per therm to the commodity rates depicted in the "MONTHLY RATE" section of Rate Schedules GSG and GSG-LV. A credit of \$.02 per therm will be applied to all consumption billed under the "MONTHLY RATE" section of Rate Schedule LVS. Said reduction and credit of \$.02 per therm shall be applied only to each therm of consumption billed over and above the base period billing. The increase will be measured using only the volumes received by the customer under the applicable rate schedule, during the current billing period and respective base period.
- (7) In no event shall the rate after reduction be less than gas costs and taxes applied to sales made under the applicable rate schedule,

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RIDER "H"
ECONOMIC DEVELOPMENT RATE CLAUSE (EDR)
(Continued)

- (8) Commencing with the sixth year from the date that service is initiated under this Rider "C" for each customer initiating such service prior to December 31, 1988, the applicable rate reductions shall be decreased by twenty percent (20%) of the \$.02 per therm or \$.004 per therm each year so as to be completely eliminated at the beginning of the tenth (10th) year from said date. As to customers initiating such service after December 31, 1988, the applicable rate reductions shall be decreased by twenty percent (20%) of the \$.02 per therm or \$.004 per year beginning the second year from the date service is initiated so as to eliminate such credits by the end of the fifth (5th) year after service is initiated.
- (9) An RSG customer shall be eligible to receive a payment from the Company if that customer certifies to the Company that the customer has purchased a principal residence in New Jersey within the Company's service territory and further certifies the customer is a first time home buyer. As used herein, a first time home buyer shall mean a person who has not owned a home or any interest in a home anytime during the past three years prior to the closing of the home that is being purchased.
- (10) In order to be eligible to receive a payment under this Rider "C", the customer must certify to the Company that the customer's principal residence meets the requirements of this Paragraph 10. The customer will be eligible for a payment of up to five hundred dollars (\$500.00) if the customer has installed both a high efficiency natural gas house heater and a high efficiency natural gas water heater. The customer will be eligible for a payment of up to seven hundred fifty dollars (\$750.00) if the customer has installed a high efficiency natural gas house heater and a high efficiency natural gas water heater and a high efficiency natural gas range and a high efficiency natural gas clothes dryer.
- (11) As used in this Rider "C" a high efficiency natural gas house heater and a high efficiency natural gas water heater shall be those described in the Heater Rebate portion of the Company's Board approved Conservation Plan. High efficiency gas ranges and high efficiency clothes dryers shall be those with electronic ignition.
- (12) The credits specified in Paragraph 10 shall be applied to the first twelve monthly gas bills received by the customer, unless the credits are exhausted sooner. Any credits not exhausted after twelve monthly bills will expire.
- (13) The EDR credits specified in Paragraph 10 shall be limited to the first five hundred (500) applicants accepted by the Company. Provided, however, that the Company will not provide credits in any year in excess of \$300,000.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 89

RIDER "I" BALANCING SERVICE CLAUSE - LARGE VOLUME (BSC-LV)

APPLICABLE TO:

Rate Schedule GSG-LV	-	General Service-Large Volume
Rate Schedule LVS	-	Large Volume Service
Rate Schedule FES	-	Firm Electric Service
Rate Schedule EGS	-	Electric Generation Service
Rate Schedule EGS-LV	-	Electric Generation Service – Large Volume
Rate Schedule ITS	-	Interruptible Transportation Service

This Rider "I" shall be known as the Balancing Service Clause - Large Volume (BSC-LV) and will be applicable to all EGS-LV and FES customers who utilize Rider "D" to this Tariff, and to all LVS and EGS-LV Firm Transportation Service, and ITS customers. This Rider "I" will also be applicable to all Rate Schedule GSG-LV Firm Transportation Service customers who have installed electronic meter reading equipment, pursuant to the provisions of Section 6.1 of the General Terms and Conditions of this Tariff and who elect to take their balancing service under this Rider "I", rather than under Rider "J".

MONTHLY RATE:

Volumetric Charge:

BS-1: \$.0027 per therm for all gas delivered under the applicable rate schedules, except as set forth in Other Provision (19).

Cash-Out Charges and Credits:

To be determined monthly in accordance with the methodology set forth in Paragraphs (12), (13) and (14) of this Rider "I".

DEFINITIONS:

- (1) "Gas Consumption" means the volume of gas utilized by the customer, as measured at the customer's meter. Gas Consumption will be displayed on the Company's Electronic Bulletin Board ("EBB"). However, the responsibility for balancing shall remain with the customer even if the Company's EBB is inoperative.
- (2) On any day during which gas receipts for a customer's account exceed Gas Consumption, after adjustment to reflect line loss and sales authorized by the Company for this customer, a daily "Excess Imbalance" results. Provided, however, that as to those ITS customers, who had an annualized average use of 27 Mcf per day or less of gas, Daily Excess Imbalances shall be computed on a monthly basis.

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B.P.U.N.J. No. 9 - GAS

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RIDER "I"
BALANCING SERVICE CLAUSE - LARGE VOLUME (BSC-LV)
(Continued)

- (3) On any day during which Gas Consumption exceeds gas receipts for a customer's account, after adjustment to reflect line loss and sales authorized by the Company, a daily "Deficiency Imbalance" results. Provided, however, that as to those ITS customers, who had an annualized average use of 27 Mcf per day or less of gas, Daily Deficiency Imbalances shall be computed on a monthly basis.
- (4) Daily Deficiency Imbalances and Daily Excess Imbalances may be collectively referred to as "Daily Imbalances".
- (5) "Net Monthly Imbalance" means the net of a customer's Daily Imbalances, if any, during a month. If monthly Gas Consumption exceeds monthly gas receipts for a customer's account, a Monthly Deficiency Imbalance results and if monthly gas receipts exceed monthly Gas Consumption, a Monthly Excess Imbalance results.

BALANCING:

- (6) Customers shall use their best efforts to ensure that the daily volumes of gas scheduled for delivery into the Company's system for the customer's account, adjusted to reflect line loss and sales authorized by the Company, equal the volumes of daily Gas Consumption by the customer.
- (7) Customers shall be responsible for maintaining a balance between volumes of daily deliveries into the Company's system and daily Gas Consumption, adjusted to reflect line loss and sales authorized by the Company. Customers may maintain a balance through a combination of deliveries for their account and sales authorized by the Company.
- (8) Certain levels of Daily Imbalances will be subject to a corrective plan, as provided in Paragraph 9 of this Rider "I". Daily Imbalances of this level will be referred to as "Imbalances Requiring Action" or "IRA". An Excess Imbalance will become an IRA during the winter season if daily receipts exceed daily Gas Consumption by five (5%) percent, and during the summer season if daily receipts exceed daily Gas Consumption by seven and one half (7.5%) percent. A Deficiency Imbalance will become an IRA during the winter season if daily Gas Consumption exceeds daily receipts by five (5%) percent, and during the summer season if daily Gas Consumption exceeds daily receipts by seven and one half (7.5%) percent. The winter season, as used herein, is from November 1 through March 31. The summer season is from April 1 to October 31.

Generally, the existence of an IRA will be determined for each customer, on an individual customer basis. However, for those customers who execute an Aggregation Agreement, acceptable to the Company, IRAs will be determined in the aggregate for all members of the Aggregation Group.

- (9) If a customer has an IRA as demonstrated on the Company's EBB, the customer must present a plan within forty-eight (48) hours of such demonstration to eliminate the IRA. Such plan must not, inter alia, adversely impact service to other customers, affect system integrity, or affect the Company's gas supply planning. If the plan presented by the customer is unacceptable to the Company, the Company will present an alternative plan. If the customer fails to present, within 48 hours after such demonstration, a plan to eliminate

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RIDER "I" **BALANCING SERVICE CLAUSE - LARGE VOLUME - (BSC-LV)** (Continued)

such IRA or fails to comply with a plan accepted by or offered by the Company, the customer shall be subject either to (a) billing for volumes of Gas Consumption in excess of receipts at a rate equal to five (5) times the Net Monthly Deficiency Imbalance Cash-Out Charge within this Rider "I", assuming a System Impact Charge of one (1.0); or (b) a buyout of the excess of receipts over volumes of Gas Consumption at a rate equal to one-fifth (1/5) of the Net Monthly Excess Imbalance Cash-Out Credit within this Rider "I", assuming a System Impact Charge of one (1.0).

- (10) Notwithstanding any other provision of this Rider "I", if the Company determines in its sole reasonable discretion that it is necessary to do so to alleviate operating conditions which may threaten the integrity of its system, the Company may issue an Operational Flow Order ("OFO") to some or all customers subject to this Rider "I". The Company shall provide customers and their Aggregator/Marketers with notice of an OFO by posting the same on the Company's EBB, and by facsimile transmission. In addition, the Company may provide notice by telephone or otherwise of said OFO. Such notice shall be effective within twenty-four hours of posting unless exigent circumstances require shorter notice, which shorter notice shall be specified in the posting. The OFO may direct, inter alia, the cessation of the creation of Deficiency Imbalances or of Excess Imbalances and that customers make a good faith effort to eliminate existing Deficiency Imbalances or Excess Imbalances. For purposes of this paragraph (10) of this Rider "I" if a customer is a member of a Customer Group pursuant to an Aggregator/Marketer's Agreement, Deficiency Imbalances and Excess Imbalances for that customer and for all members of the Customer Group shall be aggregated. Failure to comply with an OFO Imbalance shall result in the creation of an OFO Deficiency Imbalance or of an OFO Excess Imbalance. The customer may be invoiced for any OFO Deficiency Imbalance or any OFO Excess Imbalance at a rate of \$50.00 per Mcf for each day that said OFO Deficiency Imbalance or OFO Excess Imbalance remains in effect. In addition, after the Company has taken the steps set forth in this paragraph (10), any customer failing to adhere to an OFO shall be subject to immediate termination of all gas service.
- (11) Any customer receiving service subject to this Rider "I" must maintain computer capability necessary to access the Company's EBB directly or through an Aggregator and/or Marketer pursuant to an Aggregator's/Marketer's Agreement acceptable to the Company. Provided, however, that ITS customers with an annualized average use of 27 Mcf per day or less are exempted from the provisions of this Paragraph (11) of this Rider "I".

CASH-OUT CHARGES AND CREDITS:

- (12) A customer or an Aggregator/Marketer authorized to act on a customer's behalf may exchange an imbalance with another customer or Aggregator/Marketer authorized to act on a customer's behalf. In the exchange, a Monthly Deficiency Imbalance may be exchanged for a Monthly Excess Imbalance of equal quantity. The Company will notify the Aggregators/Marketers and customers not represented by an Aggregator/Marketer each month of all outstanding imbalances and shall allow five (5) days to complete exchanges and notify the Company of all exchanges upon a prescribed form

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 92

RIDER " I "
BALANCING SERVICE CLAUSE - LARGE VOLUME (BSC-LV)
(Continued)

- (13) Each month, the Company shall "cash out" Net Monthly Deficiency Imbalances as follows:
- (a) Customers with a Net Monthly Deficiency Imbalance shall be charged on their bills, for service provided during such month, an amount equal to the product of (i) the Net Monthly Imbalance quantity times (ii) one hundred ten percent (110%) of the simple average of daily postings of Transcontinental Gas Pipe Line Corporation's (Transco's) Zone 6 Daily Midpoint reported each day during the month in which the Deficiency Imbalance occurred, in the Daily Price Survey in the Gas Daily; times (iii) a System Impact Charge ("SIC").
 - (b) In the case of Monthly Deficiency Imbalance, if:
 - (i) Monthly Gas Consumption exceeds monthly receipts by seven and one-half (7.5%) percent of Gas Consumption or less, the SIC will be one (1);
 - (ii) Monthly Gas Consumption exceeds monthly receipts by more than seven and one-half (7.5%) percent but less than fifteen (15%) percent, the SIC will be one and three tenths (1.3);
 - (iii) Monthly Gas Consumption exceeds monthly receipts by fifteen (15%) percent or more, the SIC will be two (2).
 - (c) All cash out charges under this Paragraph (12) shall be adjusted by multiplying them by 1.06 to reflect New Jersey Sales and Use Tax.
- (14) Each month, the Company shall "cash out" Net Monthly Excess Imbalances as follows:
- (a) Customers with a Net Monthly Excess Imbalance shall receive on their bills, for service provided during such month, a credit equal to the product of (i) the Net Monthly Imbalance quantity times (ii) ninety percent (90%) of the simple average of daily postings of Transco's Zone 6 Daily Midpoint reported each day during the month in which the Excess Imbalance occurred, in the Daily Price Survey in the Gas Daily; less (iii) a capacity charge factor of \$.0050 per therm; times (iv) a System Impact Charge ("SIC").
 - (b) In the case of a Monthly Excess Imbalance, if:
 - (i) Monthly receipts exceed monthly Gas Consumption by seven and one-half (7.5%) percent of Gas Consumption or less, the SIC will be one (1);
 - (ii) Monthly receipts exceed monthly Gas Consumption by more than seven and one-half (7.5%) percent but less than fifteen (15%) percent, the SIC will be two-thirds (2/3);
 - (iii) Monthly receipts exceed monthly Gas Consumption by fifteen (15%) percent or more, the SIC will be one-half (1/2).

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B.P.U.N.J. No. 9 - GAS

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RIDER "I"
BALANCING SERVICE CLAUSE - LARGE VOLUME - (BSC-LV)
(Continued)

- (15) For purposes of the cash out provisions of this Rider "I", generally, determinations will be made for each customer on an individual customer basis. However, for those customers who execute an Aggregator/Marketer Agreement, acceptable to the Company, "cash out" calculations will be determined in the aggregate for all members of the Aggregate Group.

OTHER PROVISIONS:

- (16) All charges under this Rider "I" of this Tariff, as well as charges under Rate Schedules EGS-LV, FES, LVS, ITS, or GSG-LV (if the customer has elected to have transportation charges invoiced by the Aggregator/Marketer), as well as the Aggregator/Marketer's Fee will be invoiced to the Aggregator/Marketer, in accordance with the Aggregator/Marketer's Agreement. Otherwise, charges will be billed to the customer. Payment of all invoices to the Aggregator/Marketer or to the customer must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided, however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the Aggregator/ Marketer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal.
- (17) All charges under Rate Schedules GSG-LV, EGS-LV, FES, LVS or ITS will be invoiced to the individual customers, who shall be solely responsible for these charges, as well as these Rider "I" charges when a customer has no Aggregator/Marketer.
- (18) In the event that, during any month the sum of the month-to-date Deficiency Imbalances or Excess Imbalances, for non-Force Majeure reasons, for an Aggregator/Marketer exceeds three (3) times the ACD, the Company will immediately notify the Aggregator /Marketer via telephone, e-mail, facsimile or similar means. If Deficiency Imbalances or Excess Imbalances reach five (5) times the ACD, the following will occur: (1) the Aggregator /Marketer is no longer eligible to function as an Aggregate/Marketer on the Company's system until the conditions set forth in this paragraph (18) are satisfied, but not before the first (1st) day of the following month; and (2) for the balance of the current month and for future months, the affected Aggregator /Marketer's customers will be supplied natural gas by the Company and will be billed on a prorated basis according to the following schedule:

<u>Rate Schedule</u>	<u>Billing Charge</u>
GSG-LV	Monthly BGSS Rate
LVS	Monthly BGSS Rate
FES	Firm Market Volumetric Charge
EGS	Monthly BGSS Rate
EGS-LV	Monthly BGSS Rate
ITS	Monthly Rate pursuant to Rate Schedule IGS

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RIDER "I"
BALANCING SERVICE CLAUSE - LARGE VOLUME - (BSC-LV)
(Continued)

Such customers will be charged on a prorated basis upon the appropriate Rate Schedule, including all Special Provisions of the appropriate Rate Schedule for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the revised billing rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of Aggregator/Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to the Company in an amount equal to two (2) times that which would otherwise be required by the Company. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by the Company. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon the Company's system for an additional one (1) year period.

As used in this Paragraph (18), ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator /Marketer under an applicable Rate Schedule. For a customer who does not have a Contract Demand, the Company shall supply a quantity to be used in lieu thereof.

- (19) The BS-1 Charge within Volumetric Charge portion of this Rider "I" shall not be applicable to: (i) customers receiving deliveries of gas pursuant to Rate Schedule ITS; and (ii) customers receiving deliveries of gas pursuant to Rate Schedule FES and who utilize Rider "D" to this Tariff.
- (20) Any charges imposed pursuant to the above Paragraphs (1) through (21) of this Rider "I" shall be in addition to other charges imposed pursuant to this Rider "I".

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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RIDER "J"
BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service Gas
Rate Schedule GSG	-	General Service Gas
Rate Schedule GSG-LV	-	General Service Gas – Large Volume
Rate Schedule ESG	-	Electric Generation Service

This Rider "J" shall be known as the Balancing Service Clause - General Service (BSC-GS) and will be applicable to all RSG Firm Transportation Service customers and GSG Firm Transportation Service customers. Provided, however, that pursuant to the terms of Rider "I" certain GSG-LV and EGS Firm Transportation Service customers may elect to take balancing service pursuant to Rider "I".

MONTHLY RATE:

Volumetric Charge:

BS-1: \$.0400 per therm for all gas delivered under the applicable rate schedules in addition to the following:

DCQ AND BUY-OUT CHARGE:

- (1) "Daily Contract Quantity" (DCQ) for all customers except for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined annually by the company. The DCQ shall be determined for each of the forthcoming twelve (12) months by dividing the customer's weather-normalized usage for each of the most recent twelve (12) months by the total number of days in each month. The Company may adjust the customer's DCQ during any twelve (12) month period, due to changes in the customer's gas equipment or pattern of usage or other acceptable information provided by the customer. For New Customers, the customer's initial DCQ will be estimated by the Company, based upon the rating of the customer's gas equipment and expected utilization of the equipment. Customer will be obligated to deliver or cause to be delivered to the Company's city gate station the customer's DCQ each day for the customer's account.

The DCQ for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined by the Company. The DCQ shall be determined separately for Rate Schedule RSG Firm Transportation Service customers who are heating customers, and for those who are non-heating customers ("Heating Group" and "Non-Heating Group"). The DCQ for both the Heating Group and the Non-Heating Group shall be determined on a Company system-wide, weather normalized basis. The Company will determine the DCQ for each customer in the Heating Group, which will be the same for all members of the Heating Group, and for each customer in the Non-Heating Group, which will be the same for all members of the Non-Heating Group, each month. The Aggregator/Marketer will be obligated to deliver or cause to be delivered to the Company's City Gate Station, each day, the DCQ for each customer within that Aggregator/Marketer's Aggregated Group.

A review of service provided to Rate Schedule RSG Firm Transportation Service customers shall be performed after twelve (12) months service, and every twelve (12) months thereafter. Upon such review, in the event that a customer's account has a negative balance, the Aggregator/Marketer shall have thirty (30) days to pay back such negative balance. Prior to making such pay-back, the Aggregator/Marketer must get approval to do so from the

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RIDER "J"

BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)

(Continued)

Company, which may, at its sole reasonable discretion, extend the pay-back period. If a negative balance remains after thirty (30) days, the Aggregator/Marketer will be charged the Rate Schedule RSG Firm Sales Service customer rates multiplied by each therm of negative balance. If the customer's account has a positive balance, the Company will purchase such gas at the Buy-Out Price provided for in this Rider "J".

- (a) At the end of each Winter Season, and at the end of each Summer Season, the Company will calculate the difference between the customer's actual usage and actual deliveries, and will adjust the DCQ beginning with the second month succeeding the end of each Winter Season and each Summer Season by said difference divided by the total number of days remaining in the Winter Season or the Summer Season. Provided that such an adjustment will not decrease any month's adjusted DCQ to a level less than zero. Any such adjustments that result in a particular month's DCQ being less than zero will be carried to a future month.
 - (b) Upon termination of transportation service under the applicable rate schedules the Company shall review the status of customer's account. In the event that customer's account has a negative balance, the customer shall have thirty days to pay back such negative balance. If any negative balance remains after thirty days, the customer will be charged the Rate Schedule GSG Firm Sales Service rates multiplied by each therm of negative balance. If customer's account has a positive balance, the Company will purchase such gas at the Buy-Out Price.
- (2) As used in this Rider "J" "Buy-Out Price", shall mean a price equal to the lowest price of gas delivered to the Company's system during the month the positive balance or an Excess Imbalance occurs.

BALANCING:

- (3) On any day during which gas receipts for a customer's account exceed DCQ, after adjustment to reflect line loss and sales authorized by the Company for the customer, a daily "Excess Imbalance" results.
- (4) On any day during which DCQ exceeds gas receipts for a customer's account, after adjustment to reflect line loss and sales authorized by the Company for the customer, a daily "Deficiency Imbalance" results.
- (5) Customers shall use their best efforts to ensure that the daily volumes of gas scheduled for delivery into the Company's system for the customer's account, adjusted to reflect line loss and sales authorized by the Company, are equal to the customers' DCQ.
- (6) Each customer shall be responsible for maintaining a balance between volumes of daily deliveries into the Company's system adjusted to reflect line loss and sales authorized by the Company for the customer and the customer's DCQ. Each customer may maintain a balance through a combination of deliveries for its account and sales authorized by the Company.
- (7) If, on any day, an Excess Imbalance exists for the account of a customer, the excess may be bought by the Company at one third of the Buy Out Price. Moreover, an Excess Imbalance may not be utilized to discharge a

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RIDER "J"

BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)

(Continued)

Deficiency Imbalance or in any other way be utilized by the customer to discharge transportation obligations.

- (8) If, on any day, a Deficiency Imbalance up to and including five percent (5%) exists for the account of a customer, the customer may be billed for such Deficiency Imbalance at a rate equal to five (5) times the applicable sales rate under Rate Schedules RSG Firm Sales Service, GSG Firm Sales Service, GSG-LV Firm Sales Service or EGS Firm Sales Service. If, on any day, a Deficiency Imbalance of greater than five percent (5%) exists for a customer's account, the customer may be billed a charge equal to ten (10) times the applicable sales rate under Rate Schedules RSG Firm Sales Service, GSG Firm Sales Service, GSG-LV Firm Sales Service or EGS Firm Sales Service.
- (9) Notwithstanding any other provision of this Rider "J", if the Company determines in its sole reasonable discretion that it is necessary to do so to alleviate operating conditions which may threaten the integrity of its system, the Company may issue an Operational Flow Order ("OFO") to some or all customers subject to this Rider "J". The Company shall provide customers and their Aggregator/Marketers with notice of an OFO by posting the same on the Company's EBB, and by facsimile transmission. Alternatively, the Company may provide notice by telephone or otherwise of said OFO. Such notice shall be effective within twenty-four hours of posting unless exigent circumstances require shorter notice, which shorter notice shall be specified in the posting. The OFO may direct, inter alia, the cessation of the creation of Deficiency Imbalances or of Excess Imbalances and that customers make a good faith effort to eliminate existing Deficiency Imbalances or Excess Imbalances. For purposes of this paragraph (9) of this Rider "J" if a customer is a member of a Customer Group pursuant to an Aggregator/Marketer's Agreement, Deficiency Imbalances and Excess Imbalances for that customer and for all members of the Customer Group shall be aggregated. Failure to comply with an OFO shall result in the creation of an OFO Deficiency Imbalance or of an OFO Excess Imbalance. The customer may be invoiced for any OFO Deficiency Imbalance or for any OFO Excess Imbalance at a rate of \$50.00 per Mcf of such OFO Deficiency Imbalance or OFO Excess Imbalance for each day that said OFO Deficiency Imbalance or OFO Excess Imbalance remains in effect. In addition, after the Company has taken the steps set forth in this paragraph (9), any customer failing to adhere to an OFO shall be subject to immediate termination of all gas service.
- (10) Any customer receiving service subject to this Rider "J" must maintain computer capability necessary to access the Company's EBB directly or through an Aggregator and/or Marketer pursuant to an Aggregator's/Marketer's Agreement acceptable to the Company.

OTHER PROVISIONS:

- (11) Under no circumstances shall the Company be obligated to deliver more than the customer's DCQ for the customer's account. Provided, however, that nothing in this paragraph (11) of this Rider "J" shall affect the customer's ability to consume gas in excess of the DCQ. Moreover, if the DCQ shall prove insufficient or excessive in any respect for the customer's needs, the Company shall not assume any responsibility or liability of any kind for such excess or insufficiency.

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RIDER "J"
BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)
(Continued)

- (12) All charges under this Rider "J" of this Tariff, as well as charges under Rate Schedules RSG Firm Transportation Service, GSG Firm Transportation Service, GSG-LV Firm Transportation Services, or EGS Firm Transportation Service as well as the Aggregator/Marketer's Fee will be invoiced to the Aggregator/Marketer, in accordance with the Aggregator's/Marketer's Agreement. Otherwise, charges will be billed to the customer. Payment of all invoices to the Aggregator/Marketer or to the customer must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided, however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the Aggregator/Marketer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal.
- (13) When a customer has no Aggregator/Marketer, all charges under Rate Schedule GSG Firm Transportation Service will be invoiced to the individual customers, who shall be solely responsible for these charges, as well as these Rider "J" charges.
- (14) In the event that, during any month the sum of the month-to-date Deficiency Imbalances or Excess Imbalances, for non-Force Majeure reasons, for an Aggregator/Marketer exceeds three (3) times the ADCQ, the Company will immediately notify the Aggregator/Marketer via the telephone, facsimile or similar means. If Deficiency Imbalances or Excess Imbalances reach five (5) times the ADCQ, the following will occur: (1) the Aggregator/Marketer is no longer eligible to function as an Aggregator/Marketer on the Company's system until the conditions set forth in this paragraph (14) are satisfied, but not before the first (1st) day of the following month; and (2) for the balance of the current month and for future months, the affected Aggregator/Marketer's customers will be supplied natural gas by the Company and will be billed on a prorated basis according to the following schedule:

<u>Rate Schedule</u>	<u>Billing Charges</u>
RSG Firm Transportation Service	GSG Monthly BGSS Rate
GSG Firm Transportation Service	GSG Monthly BGSS Rate
GSG-LV Firm Transportation Service	GSG Monthly BGSS Rate
EGS Firm Transportation Service	GSG Monthly BGSS Rate

Such customers will be charged on a prorated basis upon the appropriate Rate Schedule, including all Special Provisions of the appropriate Rate Schedule for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the revised billing rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of Aggregator/Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to the Company in an amount equal to two (2) times that which would otherwise be required by the Company. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by the Company. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon the Company's system for an additional one (1) year period.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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RIDER "J"
BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)
(Continued)

As used in this Paragraph (14), ADCQ shall mean the aggregate of all Daily Contract Quantities, expressed in dekatherms, of all customers served by an Aggregator/Marketer under the applicable Rate Schedule.

- (15) Any charges imposed pursuant to the above Paragraphs (1) through (14) of this Rider "J" shall be in addition to other charges imposed pursuant to this Rider "J".

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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RIDER "K"

CLEAN ENERGY PROGRAM CLAUSE (CLEP)

APPLICABLE TO:

Rider "E" - Societal Benefits Clause

Concurrent with the filing of its annual BGSS Petition, the Company will file a petition including data necessary to compute its CLEP factor for the upcoming CLEP Year. The Company's CLEP Plan Year will be the 12 month period ended October 31 of each year.

The CLEP factor set forth in this Rider "K" is calculated annually based upon the projected CLEP costs and an amount that accounts for revenue erosion divided by the projected therm sales. Any difference between the preceding year's costs and recoveries will be added to or deducted from the succeeding year's computation.

The charge brought forward to Rider "E" is as follows:

	RSG, GSG, GSG-LV, CTS Firm, EGS, EGS-LV, FES and LVS
Average Cost per Therm	\$.0134
Applicable Revenue Tax Factor	<u>1.0019</u>
CLEP per Therm	\$.0134
Applicable NJ Sales Tax Factor	<u>1.06</u>
CLEP per Therm with NJ Sales Tax	<u><u>\$.0142</u></u>

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RIDER "K"

CLEAN ENERGY PROGRAM CLAUSE (CLEP)
(Continued)

The formula for calculating the CLEP rate is as follows:

$$\frac{CB + RE + [+RB]}{AS}$$

where:

CB = Approved CLEP costs.

RE = Cumulative annual revenue erosion from the date of effectiveness of the plan until the time that new base rates take effect. Annual erosion is determined by multiplying the projected measured annual decrease in firm sales attributable to implementation of the CLEP by the net margin revenue associated with that decrease in each affected service classification.

RB = Prior year recovery balance.

AS = Projected annual sales for all firm customers except YLS/SLS.

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GENERAL TERMS AND CONDITIONS

1. GENERAL

- 1.1 **FILING AND POSTING OF TARIFF:** A copy of this Tariff is filed with the Board and copies are posted and open to inspection at the offices of the Company.
- 1.2 **APPLICATION OF TARIFF:** These General Terms and Conditions govern all rate schedules to the extent applicable and are made part of all Standard Gas Service Agreements for the supply of gas service unless specifically modified by the terms of a particular rate schedule or by special terms written in and made a part of a Standard Gas Service Agreement. Failure by the Company to enforce any provisions, terms or conditions set forth in this Tariff shall not be deemed a waiver thereof. If any terms and conditions contained in this Tariff are in conflict with the New Jersey Administrative Code, the New Jersey Administrative Code shall prevail. The Tariff will not be construed to be in conflict with the New Jersey Administrative Code if the Tariff provides for a more liberal treatment of customers than that provided for in the New Jersey Administrative Code.
- 1.3 **STATEMENTS BY AGENTS:** No representative of the Company has the authority to modify any provisions contained in this Tariff or to bind the Company by any promise or representation contrary hereto.

No modification of the terms and provisions of any Standard Gas Service Agreement shall be effective except by execution of a new Standard Service Agreement.

- 1.4 **REVISION OF TARIFF:** The Tariff is subject to the lawful orders of the Board. The Company reserves the right at any time and in any manner permitted by law, and the applicable rules and regulations of the Board, to terminate, or to change or modify by revision, amendment, supplement, or otherwise, this Tariff or any part thereof, or any revision or amendment thereof or supplement thereto. All Standard Gas Service Agreements are accepted subject to the above reservations.

2. OBTAINING SERVICE

- 2.1 **APPLICATION FOR SERVICE:** Application for gas service may be made at any office of the Company in person, by telephone, or by mail. Customer shall indicate conditions under which service will be required and customer may be required to sign a Standard Gas Service Agreement covering conditions under which service will be supplied.
- 2.2 **SELECTION OF RATE SCHEDULE:** Company will, upon request, assist the customer in selection of the applicable rate. The Company shall determine which rate schedule or rate schedules are available to a customer. The Company shall make such determination based upon information supplied by the customer or by inspection, at the Company's election. Where more than one rate schedule is available to a particular customer, the Company shall have at all times the duty

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GENERAL TERMS AND CONDITIONS

(Continued)

to assist such customer in a selection of the rate schedule most favorable for his individual requirements and to make every reasonable effort to insure that such customer is served under the most advantageous schedule.

2.2.1 CHANGE OF RATE SCHEDULE: Subsequent to initial selection of a rate schedule, customer shall notify Company in writing of any change in the character or use of service which might affect the selection of a rate schedule or provision within a rate schedule. If the change in character or use warrants a change in schedule or provision, said change may commence with the next month's bill.

2.3 DEPOSIT AND GUARANTEE: A deposit or other guarantee satisfactory to the Company may be required from any new or existing customer who has not established credit with the Company or where the credit of such customer has become impaired. For the purposes of requesting a deposit or other guarantee: (1) the credit of a customer is considered impaired if any bills rendered were not paid before the preparation of the customer's immediately succeeding month's bill; and (2) the credit of a customer is considered established if all bills rendered for the last twelve monthly billing periods were paid before the preparation of the customer's immediately succeeding months' bills or as to a New Customer, who provides the Company with a letter of reference from another utility or source acceptable to the Company.

The initial deposit required will be of an amount equal to the estimated bills, or actual if available, that would accrue for two months at the applicable rate but not less than \$25.00. Such deposit is required as security for the payment of future and final bills and may be required to be paid before the Company will commence or continue to render service. All deposits shall bear such interest as is allowed by the Board, payable at the time that the deposit is refunded or applied to the customer's account, provided that said deposit remains with the Company for a minimum of three months. All deposits shall cease to bear interest upon discontinuance of service, whether at the customer's request or for reasons contained in Section 9 of the General Terms and Conditions of this Tariff.

If a customer's service has been terminated for non-payment of bills, the Company may not condition restoration of service on payment of a deposit, unless said deposit had been included on prior bills, or notices to the customer.

Retention by the Company, prior to final settlement of said deposit, is not a payment or part payment of any bill for service. The Company shall review an RSG customer's account at least once every year and a non-residential customer's account at least once every two years and if such review indicates that the customer has established credit satisfactory to the Company, then the outstanding deposit shall be

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(Continued)

refunded to the customer. The Company shall afford the customer the option of having the deposit refund applied to the customer's account in the form of a credit or of having the deposit refunded by separate check in a period not to exceed one billing cycle. Notwithstanding a residential customer's credit status, the Company shall credit all accrued interest at least once during each 12 month period, pursuant to N.J.A.C. 14:3-7.5.

The Company also reserves the right to apply a deposit against unpaid bills for service. If such action is taken, the customer will be required to restore the deposit to its original amount. On discontinuance of service, the Company reserves the right to apply said deposit against unpaid bills for service and only the remaining balance of the deposit will be refunded. The Company shall have a reasonable time in which to read the meter and to ascertain that the obligations of the customer have been fully performed before being required to return any deposit.

Deposits may be waived where the circumstances warrant such waiver.

- 2.4 **LIQUIDATION OF PRIOR DEBTS:** Service will not be supplied by the Company to former customers until such time as any and all indebtedness to the Company for previous service has been paid or otherwise discharged, or until such time as a reasonable deferred payment arrangement acceptable to the Company is established to liquidate such debt.
- 2.5 **MAIN EXTENSIONS:** The customer may be required to make a payment toward the cost of installing gas mains as set forth in Section 4 of these General Terms and Conditions.
- 2.6 **SERVICE CONNECTIONS:** The customer may be required to make a payment toward the cost of installing a service connection as set forth in Section 5 of these General Terms and Conditions.
- 2.7 **PERMITS AND CERTIFICATES:** The Company, where necessary, will make application for any permits necessary to extend its main and install service connections and shall not be required to furnish service until after such permits are granted. The customer may be required to pay the charge, if any, for said permits. The Company may require the customer to obtain on the Company's behalf, all necessary instruments providing for easements or rights of way and may require the customer to properly record or register such documents with the appropriate authorities. Also, the Company may require the customer to obtain permits, consents, and certificates necessary for the introduction of service.

When the customer is not the owner of the premises or of intervening property between the premises and the Company's mains, the customer may be required to obtain from the proper owner, or owners, the necessary consent to the installation and maintenance in such premises and in or about such intervening property of all necessary equipment for supplying gas.

- 2.8 **INTERRUPTIBLE SALES AND TRANSPORTATION SERVICE:** The Company may require a customer who has transferred from a Firm Sales Service or Firm Transportation Service rate schedule to an Interruptible Transportation Service or Interruptible Sales Service Rate Schedule to make a deposit up to the cost of the facilities which the Company installed to provide service under the Firm Rate Schedule. The Company will refund one-half of all revenues received from the customer under the Interruptible Sales Service or Interruptible Transportation Service, less applicable taxes and Applicable

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(Continued)

Riders, for a period up to eight years. In no event shall more than the original deposit be returned to the customer nor shall any part of the deposit remaining after eight years from the date of the original deposit be returned. The making of a payment shall not give the customer any interest in the facilities, the ownership being vested exclusively in the Company.

3. CHARACTERISTICS OF SERVICE

3.1 **CONTINUITY OF SERVICE:** The Company will use reasonable diligence to provide a regular and uninterrupted supply of service, but should the supply be suspended, curtailed or discontinued by the Company for any of the reasons set forth in Section 9 of these General Terms and Conditions, or should the supply of service be interrupted, curtailed, deficient, defective or fail by reason of force majeure or otherwise, the Company shall not be liable for any loss or damage, direct or consequential, resulting from any such suspension, discontinuance, defect, interruption, curtailment, deficiency or failure.

3.2 **EMERGENCIES:** The Company may curtail or interrupt service to any customer or customers, irrespective of rate schedule under which said service is received, in the event of an emergency threatening the integrity of its system if, in its sole judgment, such action will prevent or ameliorate the emergency condition.

3.3 **LIMITATIONS:** The Company reserves the right to place limitations on the amount and character of gas service it will supply; to refuse service to New Customers or to existing customers for additional load if unable to obtain sufficient supply for such service; to reject applications for service or additional service where such service is not available or where such service might affect the supply of gas to other customers or for other good and sufficient reasons.

The Company reserves the right to curtail or discontinue the supply of gas service to the customer in the event of force majeure.

3.4 **NO STANDBY:** Service shall not be provided for standby uses under any rate schedule.

4. MAIN EXTENSIONS

4.1 **GENERAL:** The Company will construct, own, and maintain distribution mains located on streets, highways, and right of way, used or usable as a part of its distribution system. The making of a deposit or contribution by the customer, shall not give the customer any interest in the facilities, the ownership being vested exclusively in the Company.

4.2 **PAYMENT BY CUSTOMER:** A special guarantee, advance deposit, or contribution may be required from the customer for the extension of distribution mains where unusual conditions or abnormal expenditures are required to provide service.

Under normal conditions, where the estimated cost of the extension exceeds five times the normal estimated annual revenue less gas costs and taxes associated with gas costs for service at applicable rates, the Company may require the customer to make an advance deposit of the excess cost of the

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GENERAL TERMS AND CONDITIONS

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extension over five times the estimated annual revenue, less gas costs and taxes associated with gas costs. The required deposit shall be grossed up (increased) for any income tax effect to the Company.

- 4.2.1 **RETURN OF DEPOSITS:** On the anniversary date of each deposit made with the Company, a review shall be made to determine whether the depositor is entitled to a refund. A refund shall be made when the actual annual revenue generated by the main extension exceeds the revenue which was used as the basis for the initial deposit computation. The actual annual revenue shall include revenue from customers, other than depositor, being served by the main extension. If the actual annual revenue is greater than the revenue basis, the amount of the refund shall be equal to two times the difference. In subsequent annual reviews, actual revenues used as the basis for a previous return shall become the new basis. If, at the end of ten years, any balance of the payment to Company remains not returned to the depositor, such amount remains the property of the Company. Payments made to Company shall remain with the Company without interest, and Company's obligation to refund shall at no time exceed the amount of the deposit, including the tax effect. All refunds to customers shall include any applicable tax effect received by the Company.

The making of a payment shall not give the customer any interest in the main extension, the ownership being vested exclusively in the Company.

5. SERVICE CONNECTIONS

- 5.1 **GENERAL:** The Company shall not be obligated to accept an application for a service connection. However, if such application is accepted, the Company will furnish and place, at no cost to the customer, up to 200 feet of normal residential service connection, measured at right angles from the nearest curb line to the customer's building, at the point of service entrance designated by the Company. ("Normal Residential Service Installation.") Meters and regulators will be furnished and installed by the Company.

The customer shall consult the Company as to the exact point at which the service pipe will enter the building before installing interior gas piping or starting any other work dependent upon the location of the service pipe. The Company will determine the location of the service pipe depending upon physical constraints in the street and other practical considerations.

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GENERAL TERMS AND CONDITIONS

(Continued)

Gas service will be supplied to a customer's premises through a single service pipe except where, in the judgment of the Company, its economic considerations; conditions on its distribution system; improvement of service conditions; or volume of the customer's requirements, make it desirable to the Company to install more than one service pipe.

- 5.2 **PAYMENT BY CUSTOMER:** All classes of service shall be entitled to an initial service installation equal to the cost of a Normal Residential Service Installation of two hundred (200) feet. Should the cost of an initial service installation exceed the cost of a Normal Residential Service Installation of two hundred (200) feet, the Company may require the customer to pay all costs in excess of the cost of said Normal Residential Service Installation. Should the customer request a service entrance at a location other than that designated by the Company, the Company may require the customer to pay the additional cost associated with said change in point of service entrance irrespective of the length of the service connection. Any payment received by the Company under this Section 5.2 shall be increased to include any applicable tax effect.

The making of a payment shall not give the customer any interest in the service connection, the ownership being vested exclusively in the Company.

- 5.3 **CHANGE IN EXISTING INSTALLATIONS:** Change in the location of existing service pipe and/or metering facilities requested by the customer must be approved by the Company and shall be made at the expense of the customer.

6. **METERING AND MEASURING EQUIPMENT**

- 6.1 **GENERAL:** Company may, at its discretion, install and maintain a single meter or measuring device for service upon each rate schedule under which the customer receives service. Whenever possible, the meter shall be located outside. If the meter cannot be located outside, the meter may be set so it can be read from outside the building, by a remote meter reading device.

When requested by a customer, remote meter reading equipment which transmits the reading on a meter to a repeating register located on the outside of a building, shall be installed, if feasible. However, the Company must be permitted access to the interior meter at all reasonable times. The cost of installation may be borne by the customer. The payment shall not give the customer any interest in the installed equipment, the ownership being vested exclusively in the Company.

The Company may install an electronic data collection system for use in conjunction with the metering of service, and may assess the customer for the cost of said data collection system and the installation thereof. If the Company so elects, the customer shall arrange for or

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GENERAL TERMS AND CONDITIONS

(Continued)

provide, at no cost to the Company, adequate electrical service for the data collection system, a location for the data collection system acceptable to the Company, and a dedicated telephone line and telephone service for use in connection with the data collection system.

The Company's equipment shall be replaced whenever deemed necessary and may be removed by the Company at any reasonable time after the discontinuance of service.

The Company will select the type and make of metering equipment and may, from time to time, change or alter such equipment; its sole obligation is to supply meters that will accurately and adequately furnish records for billing purposes.

- 6.2 **CUSTOMER'S RESPONSIBILITY:** Customer shall furnish and maintain a suitable space for the meter and associated equipment. Such space shall be as near as practicable to the point of service entrance and which shall be adequately ventilated, dry and free of corrosive vapors, not subject to extreme temperatures and shall be readily accessible to employees of the Company. Customer shall not tamper with or remove meters or other equipment, nor permit access thereto except by the Company's authorized employees. In case of loss or damage to the Company's property from the act or negligence of the customer or his agents or servants, or of failure to return equipment supplied by the Company, customer shall pay to the Company the amount of such loss or damage to the property.

A charge may be made for excessive maintenance caused by vandalism and/or repeated damages.

- 6.3 **ACCESS TO CUSTOMER'S PREMISES:** The Company, or duly authorized government employees, shall have the right of reasonable access to customer's premises, and to all property furnished by the Company, at all reasonable times for the purpose of inspection of customer's premises incident to the rendering of service, reading meters or inspecting, testing, or repairing its facilities used in connection with supplying the service, or for the removal of its property.

- 6.4 **AUTHORIZATION TO TURN ON GAS:** Only duly authorized employees or agents of the Company shall be permitted to turn on gas into any new system, or into any old system, of piping from which the use of gas service has been discontinued. This pertains to both Company facilities, such as mains and services, and customer house lines.

- 6.5 **SUBMETERING:** Submetering is the practice in which a customer buys gas pursuant to the Company's rate schedules and resells it through some metering device at a profit. Submetering is specifically prohibited.

6.6 **CHECK METERING**

- 6.6.1 **GENERAL:** Check metering is the practice in which a customer, through the use of a gas check meter, monitors or evaluates his own consumption or the consumption of a tenant for accounting or conservation purposes.

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GENERAL TERMS AND CONDITIONS (Continued)

Check meters are equipment for the measurement of volumes of gas consumption. Check meter may be utilized by a customer to resell gas. If the customer charges the tenant for the usage incurred by the tenant, reasonable administrative expenses may be included, which charges shall not exceed the amount the Company would have charged such tenant if the tenant had been served and billed by the Company directly.

Check metering, as defined above, is permitted in new or existing buildings or premises where the basic characteristic of use is industrial or commercial. Check metering is not permitted in new or existing buildings or premises where the basic characteristic of use is residential except for condominiums or cooperative housing, or where such buildings or premises are publicly financed or government owned or are eleemosynary in nature.

If a customer is permitted to utilize check metering, then all gas consuming devices within any dwelling unit at customer's location must be metered through a single check meter.

- 6.6.2 **INSTALLATION OF CHECK METERING EQUIPMENT:** The customer acting jointly with the Company may install, maintain and operate, at customer's expense, such check metering equipment as desired, provided that such equipment shall be so installed as not to interfere with the operations of Company's measuring equipment at or near the point of delivery.
- 6.6.3 **CUSTOMER'S RESPONSIBILITY:** Prior to installing any check metering equipment a customer is required to contact the Company, so that the Company may determine whether a proposed check metering installation may result in a pressure drop to the customer's premises. If the Company believes it necessary for such a determination, the Company may require the customer to submit detailed plans and specifications related to the proposed installation. If the Company believes that a significant pressure drop may occur, the Company will reject the proposed installation.
- 6.6.4 **HOLD HARMLESS:** The ownership of all check metering devices is that of the customer, and customer shall be responsible for all incidents in connection with said ownership, including accuracy of the equipment, meter reading and billing, liability arising from the presence, installation and operation of the equipment and the maintenance and repair of the equipment. Any additional costs which may result from and are attributable to the presence, installation and operation of check metering shall be borne by the customer.

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SOUTH JERSEY GAS COMPANY

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(Continued)

This hold harmless provision shall include, but not be limited to, claims for damages caused by an unsafe presence, installation or operation of said device by the customer, claims of improper invoicing by the customer, attorney's fees and related costs.

6.7 RESERVED FOR FUTURE USE.

6.8 INSTALLATION OF MEASURING EQUIPMENT: All installations of measuring equipment applying to or affecting deliveries hereunder shall be made in such manner as to permit an accurate determination of the quantity of gas delivered and ready verification of the accuracy of measurement. Care should be exercised by customer in the installation, maintenance, and operation of pressure regulating equipment so as to prevent any inaccuracy in the determination of the volume of gas delivered hereunder.

6.9 ADJUSTMENT AND MAINTENANCE OF MEASURING EQUIPMENT: Each party shall have the right to be present at the time of installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with measuring equipment involved in billing and used in measuring or checking the measurement of deliveries hereunder. The records from such measuring equipment shall remain the property of their owner, but upon request, each will submit to the other its records and charts, together with calculations therefrom for inspection and verification, subject to return within ten (10) days after the receipt thereof.

6.10 TEST OF METERING AND MEASURING EQUIPMENT: The accuracy of Company's meters and measuring equipment shall be verified by Company at reasonable intervals, and, if requested, in the presence of representatives of customer. In the event that the customer requests a special test of any equipment, the parties shall cooperate to secure a prompt verification of the accuracy of such equipment. The expense of such special tests shall be borne by customer if the request for such tests is made more frequently than once every 12 months.

6.11 TEST AND ADJUSTMENT OF METERING AND MEASURING EQUIPMENT: If, upon testing, any metering or measuring equipment, including recording calorimeter, is found to be in error of not more than two percent (2%), previous recordings of such equipment shall be considered accurate in computing deliveries hereunder, but such equipment shall be adjusted to record correctly. If, upon test, any metering or measuring equipment shall be found to be inaccurate by an amount of two percent (2%) or more fast or slow, the equipment shall be adjusted to record correctly, and the volume of gas delivered hereunder may be corrected to zero error.

6.11.1 BILLING ADJUSTMENT: If, upon test, any metering or measuring equipment is found to be two percent (2%) or more fast, a billing adjustment will be made to the customer's account in the following manner: (1) If the date when the

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meter had first become inaccurate can be definitely ascertained, then the adjustment shall be such percentage as the meter is found to be in error at the time of test adjustment to 100 percent on the amount of the bills covering the entire period that the meter registered inaccurately. (2) In all other cases the adjustment shall be such percentage as the meter is found to be in error at the time of test on one-half of the total amount of the billing affected by the fast meter adjusted to 100 percent since the previous test, but not to exceed a period of 6 years for meters subject to testing by an approved scientific sampling technique. (3) No adjustment shall be made for a meter that is found to be registering less than 100 percent except in the case of meter tampering, nonregistering meters or in circumstances in which the customer should reasonably have known that his bill did not reflect customer usage.

- 6.12 **TAMPERING:** In the event it is established that the Company's services, meters, regulators, or other equipment on the customer's premises have been tampered with, the customer shall be required to bear all of the costs incurred by the Company including, but not limited to, the following: (a) investigations, (b) inspections, (c) cost of criminal prosecution or civil litigation, (d) legal fees, and (e) installation of any protective equipment deemed necessary by the Company. Provided, however, when tampering is established on an account receiving service under the RSG Rate Schedule, all such costs shall be borne by the responsible party. The responsible party shall be the party who either tampered with or caused the tampering with a meter or other equipment or knowingly received the benefit of tampering caused by another.

Furthermore, when tampering with the Company's or customer's facilities results in incorrect measurement or the omission of measurement of the service supplied, the customer shall pay for such service, as the Company may estimate from available information, to have been used.

- 6.12.1 **DIVERSION OF SERVICE:** When tampering is identified as affecting a tenant-customer's consumption, as a result of service being used by a beneficiary other than the tenant-customer of record without his or her knowledge or cooperation, then the Board's regulation pursuant to N.J.A.C. 14:3-7.16 shall apply. A tenant-customer is considered to be the residential customer of record, who rents a dwelling unit in a multi-family building or owns a condominium. The beneficiary is considered to be the person, corporation or other entity financially benefiting from tampering resulting in a diversion of service.

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- 6.13 **SEALS AND LOCKS:** The Company shall seal and may lock all meters or enclosures containing meters and associated metering equipment. No person except a duly authorized employee of the Company shall break or remove a Company seal or lock.
- 6.14 **PRIORITY OF BILLING:** As between gas purchased or delivered on any firm rate schedule and gas purchased or transported on any interruptible rate schedule, the firm gas will be first through the meter. As between any gas transported on Rate Schedule ITS or delivered under Rider "D" of this Tariff, on the one hand, and, gas purchased under any rate schedule, on the other, the transported or delivered gas will be first through the meter.

7. CUSTOMER'S INSTALLATION

- 7.1 **GENERAL:** The customer is responsible for protecting and maintaining the Company's facilities on the customer's premises.

No material change in the size, total capacity, or method of operation of customer's equipment shall be made without previous written notice to the Company.

The Company gives no warranty, expressed or implied, as to the adequacy, safety, or other characteristics of any structure, equipment, wires, pipes, appliances or devices used by the customer.

- 7.2 **PIPING AND EQUIPMENT:** All gas equipment shall have the approval of the duly constituted authorities having jurisdiction. All gas piping and equipment shall be installed and maintained by the customer in conformance with the Company's rules and regulations available in booklet form on request, and in conformance with all lawful requirements of municipal or other properly constituted public authorities.

- 7.3 **ADEQUACY AND SAFETY OF CUSTOMER'S INSTALLATION:** The Company shall not be required to supply gas service until the customer's installation shall have been approved by the authorities having jurisdiction. The Company further reserves the right to withhold its service, or to discontinue its service, whenever such installation or part thereof is deemed by the Company to be unsafe, inadequate, or unsuitable for receiving service, or to interfere with or impair the continuity or quality of service to the customer or to others.

At a minimum, the regulations in NFPA54 - American National Standard National Fuel Gas Code (ANSI Z223.1), Building Official's Code Administration (BOCA), N.J.S.A. 52:27D-123, Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards (Part 192, Title 49, Code of Federal Regulations) and other appropriate regulations and codes shall be followed and applied.

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- 7.4 **BACK PRESSURE AND SUCTION:** When the nature of the customer's gas equipment is such that it may cause back pressure or suction in the piping system, meters, or other associated equipment of the Company, suitable protective devices, subject to inspection and approval by the Company, shall be furnished, installed, and maintained by the customer.
- 7.5 **MAINTENANCE OF CUSTOMER'S INSTALLATION:** Customer's entire installation shall be maintained by the customer in the condition required by the municipal or other public authorities having jurisdiction and by the Company.
- 7.6 **COMPANY INSPECTION:** The Company reserves the right to inspect the customer's premises from time to time to ensure compliance with the General Terms and Conditions and the applicable rate schedule of this Tariff.
- 7.7 **LEAKAGE:** Customer shall immediately give notice to the Company at its office of any escape of gas in or about the customer's premises.
- 7.8 **CUSTOMER RELEASE OR INDEMNITY:** Customer releases and shall indemnify and save harmless the Company from all loss, cost, expense, or liability for personal injuries or loss of life, or for damages, direct or consequential, which may arise out of, or result from, the use of gas service on customer's premises, or from the presence upon such premises, of any of the equipment of the Company.

8. METER READING AND BILLING

- 8.1 **EVIDENCE OF CONSUMPTION:** The quantity of gas measured by the Company's meter shall be final and conclusive for billing purposes, unless adjustment thereof is appropriate pursuant to these General Terms and Conditions.
- 8.2 **DETERMINATION OF GAS VOLUMES DELIVERED:** The volume of gas delivered in the billing period is the consumption recorded on standard metering devices.

Where applicable, these volumes will be converted for any or all of the following conditions:

- (1) The temperature of the gas passing the meters described herein shall be determined by means of a continuously indicating meter of standard manufacture so installed that it may properly indicate the temperature of gas flowing through the meter or meters. The arithmetic average of the twenty-four (24) hour record, or of so much of the twenty-four (24) hours as gas has been passing if gas had not been passing during the entire period, from the indicating thermometer, shall be deemed to be the gas temperature for the day and shall be used in computing gas volume.

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- (2) The specific gravity of gas determined for any one day by the use of the continuous recording gravitometer used by Company's Supplier to determine the specific gravity of gas delivered to Company. The arithmetic average of the specific gravity recorded each day shall be used in computing the volumes of gas delivered. During such time or times as the said gravitometer shall not be in service, the specific gravity of the gas delivered shall be determined by the use of an approved specific gravity balance with such reasonable frequency as is found expedient in practice, but not less frequently than once each month.
 - (3) The unit of volume for the purpose of measurement as referred to herein shall be one (1) cubic foot of gas at a temperature of 60 degrees Fahrenheit and at an absolute atmospheric pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch. The average absolute atmospheric pressure shall be assumed to be fourteen and seventy-three hundredths (14.73) pounds per square inch, irrespective of actual elevation of location of the point of delivery above sea level of variations in such atmospheric pressure from time to time.
 - (4) The deviation of the natural gas from Boyle's Law as described hereunder, shall be determined by periodic tests. The apparatus and the method to be used in making such tests shall be in accordance with the recommendations of the National Bureau of Standards of the Department of Commerce, or of the U.S. Bureau of Mines of the Department of the Interior, or any other method or methods mutually agreed upon. The results of such tests shall be used in computing the volume of gas delivered hereunder.
- 8.3 **DETERMINATION OF BILLING UNIT:** The billing unit of the gas deliverable hereunder shall be therms, and the number of therms delivered shall be determined by multiplying the number of cubic feet of gas delivered by the therm factor.
- 8.4 **DETERMINATION OF THERM FACTOR:** The average total therm factor of the gas per cubic foot referred to herein shall be determined by means of Company's recording calorimeter and corrected for a water vapor free basis. The arithmetic average of the twenty-four (24) hour period, or so much of the twenty-four (24) hours as gas has been passing if gas has not been passed during the entire period, from the recording calorimeter, shall be deemed to be the total therm factor of the gas for that day.

The billing month's therm factor is the month's average of daily therm factors, computed at the end of the preceding billing month.

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- 8.5 **TURN ON READING:** Any customer initiating the use of gas in violation of these General Terms and Conditions without making application for service and enabling the Company to read the meter, will be held liable for service supplied to the premises from the last meter reading immediately preceding customer's occupancy, as shown by the records of the Company.
- 8.6 **FINAL READING:** A customer requesting to discontinue service must give adequate notice as provided for in the applicable rate schedule in order to allow the Company to secure a final reading during normal business hours. Where such notice is not received by the Company, customer shall be liable for service until final reading of the meter is taken. Notice to discontinue service will not relieve a customer from any contractual obligations, including any minimum or guaranteed payment under any contract or rate schedule.
- 8.7 **METER READING:** Meters will be read on a monthly basis. For customers not subject to demand charges or monthly BGSS pricing, the Company reserves the right to read meters on a "bimonthly" basis. If meters are read on a "bimonthly" basis, bills may be rendered on a "bimonthly" basis, with the monthly commodity charges pro-rated on a two month basis, or in the interim month, Company may submit an averaged bill, so marked. Adjustment of such averaged use to actual use will be made when an actual meter reading is obtained. Meters of customers billed on the Equal Payment Plan may be read quarterly.
- 8.8 **COMBINED BILLING:** Where service through more than one meter to a single customer on a given rate is permitted by the Company, the use determined by the individual meters will be combined for billing purposes.
- 8.9 **ESTIMATED BILLS:** When the Company is unable to read the meter, Company may estimate the amount of gas supplied and submit an estimated bill, so marked. Adjustment of such estimated use to actual use will be made when an actual meter reading is obtained.
- 8.10 **BILLING PERIOD:** Bills for service furnished will be normally rendered monthly and shall be due and payable within fifteen (15) days of the billing date.
- 8.11 **PRORATION OF BILLS:** When the billing month is greater or less than thirty (30) days, customer bills will be computed by prorating the Applicable rates in all rate schedules and customer charges in Rate Schedules RSG, GSG, GSG-LV, and EGS on the basis of the relationship between the number of days covered by the billing period and thirty (30) days, except as provided for in a specific rate schedule.
- 8.12 **EQUAL PAYMENT PLAN:** The Company will provide to customers, on request, an equal payment plan in conformity with N.J.A.C. 14:3-7.11A. Further, there shall be at least one comparison of actual bills, based on meter readings to the monthly budget amount, and if this comparison reveals an increase or decrease of 25 percent or more of the monthly budget amount, the monthly budget amount will be adjusted upwards or downwards, as the case may be, for the balance of the budget plan year.

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The Company will give the customer a written notice of the revised budget figure at least 10 working days before the due date of the initial bill of the next budget plan year.

- 8.13 **BILLING ADJUSTMENTS:** Except as provided in Sections 6.11 and 6.12 of these General Terms and Conditions, when for any reason a meter fails to register the full use of gas, or fails to register within the limits of accuracy prescribed by the Commission, customer's use of gas will be estimated by Company on the basis of available data and charges will be adjusted accordingly. The maximum time to pay for the charge will be equal to the length of time that the meter failed to register.

9. CAUSES FOR DISCONTINUANCE OF SERVICE

- 9.1 **BY THE COMPANY:** Company shall have the right to suspend or discontinue its service for any of the following reasons:
- (1) To make repairs, changes, or improvements to any part of its system;
 - (2) For compliance in good faith with any governmental order or directive; whether Federal, State, municipal, or otherwise, notwithstanding such order or directive subsequently may be held to be invalid;
 - (3) Non-payment of any bill for service furnished at the present or a previous location, or place of business; However, non-payment for business service shall not be a reason for discontinuance of customer's residential service except in cases of diversion of service pursuant to N.J.A.C. 14:3-7.16;
 - (4) Tampering with any pipe, meter, or other facility of the Company;
 - (5) Fraudulent representation in relation to use of gas service;
 - (6) Failure of the customer to comply with any of these General Terms and Conditions;
 - (7) Delivering gas service to others without the Company's approval, except as permitted under Section 6.6 CHECK METERING.
 - (8) Failure to make or increase an advance payment or deposit when requested by the Company, provided that the customer had advance notice of the request for said advance payment of deposit;
 - (9) Refusal to contract for service;
 - (10) If in the judgment of the Company, customer's installation has become dangerous or defective;
 - (11) If customer's equipment or use thereof injuriously affects the quality of Company's service to other customers;

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- (12) Unauthorized increases in the size or total capacity of customer's equipment;
 - (13) In the event a writ of execution is issued against customer, or in case the premises in which service is supplied is levied upon, or in case of assignment or act of bankruptcy on the part of the customer;
 - (14) In the event Company is prevented access to its meter or other service facilities, or in the event access thereto is obstructed or hazardous, or for other violation of Company's rules and regulations;
 - (15) Refusal of a customer receiving interruptible service, to discontinue the use of gas after proper notification;
 - (16) Refusal by the customer to permit installation of a remote reading device at the request of the Company and at the customer's expense, where the Company is unable to gain or is refused access to the customer's premises during the regular meter reading work schedule for four consecutive months.
- 9.2 **NON-WAIVERS:** Should gas service be terminated for any of the above reasons, such termination shall not be deemed a waiver of any other remedy available to the Company. Failure of the Company to exercise its right to terminate, or any other right, shall not be deemed a waiver of such right.
- 9.3 **RESTORATION OF SERVICE:** The Company shall restore service upon a proper application by a customer when the conditions under which service was discontinued are corrected, and upon the payment of all proper charges due from the customer provided for in this Tariff, or if the Board so directs when a complaint involving such matter is pending before the Board.
10. **MISCELLANEOUS SERVICE CHARGES**
- 10.1 **TURN ON CHARGE:** A turn on charge of \$20.00 may be made for each activation of service whether for initial service (by meter turn-on or meter reading in the case of a service transfer) or reactivation of service where Company personnel are required to travel to the service location.
- 10.2 **RETURNED BANK ITEM:** A charge of \$18.00 may be made to reimburse the Company for the expense of processing items returned by the bank as uncollectible on customer's account.
- 10.3 **TRANSFER OF SERVICE CHARGE:** A charge of \$7.00 may be made to transfer service between customers when the customer calls in a meter reading to the Company or exercises other alternatives offered to the customer by the Company to transfer service when no Company personnel are required to travel to the service location.

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(Continued)

- 10.4 **FIELD COLLECTION FEE:** A charge of \$12.00 may be made for each visit Company personnel make to a customer's location in an effort to collect overdue payments.
- 10.5 **DUPLICATE BILLS FEES;** The Company may charge customers \$4.00 per copy for duplicate copies of bills. The Company will not charge for the current bill.
- 10.6 **STATEMENT OF ACCOUNT FEE:** The Company will provide one annual statement of account for the current twelve month period to customers free of charge, but may charge \$20.00 per statement for statements of all additional years.
- 10.7 **APPLICATION FEE:** The Company may charge customers \$15.00 to process applications for service which require the installation of a new Service Connection.
- 10.8 **TRANSPORTATION INITIATION FEE:** Except for customers receiving Firm Transportation Service under Rate Schedule RSG, and customers receiving Firm Transportation Service under Rate Schedule GSG, and consuming on average less than 3,000 Dts per year, the Company may charge customers \$50.00 to initiate transportation of gas for the customer's account under any Rate Schedule or Rider in this Tariff, or may charge \$50.00 if a customer changes its Aggregator/Marketer.
- 10.9 **ADJUSTMENT AND REPAIR OF APPLIANCES:** Company will provide free service as follows:
Meter turn off
Appliance light up at time of meter turn on
Original adjustment on appliances
Normal pilot adjustment or cleaning (except during September and October)
Normal adjustment of gas burners (except during September and October)
Investigation for gas leaks and other safety related calls
- Other services are provided at a charge.

11. DEFINITIONS

"AGGREGATOR/MARKETER" is used herein to mean a business entity transacting business as an Aggregator of gas or as a Marketer of gas.

"AFFILIATE" is used herein to mean an entity controlled by or under common control with the entity with which it is affiliated.

"ALTERNATE FUEL CAPABILITY" is used herein to mean situations where an alternate fuel is installed and can be utilized in customer's equipment: provided, however, where the use of natural gas is for plant protection, feedstock, or process uses and the only alternate fuel is propane or other gaseous fuel, then the customer will be treated as having no Alternate Fuel Capability.

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(Continued)

"BASE PERIOD BILLING" is used herein to mean the number of therms billed to a customer at the qualifying existing facility during the corresponding billing month of the twelve months immediately preceding the billing month to which the customer first applied for service.

"BASIC GAS SUPPLY SERVICE" is used herein to mean gas supply service that is provided to any customer that has not chosen an alternative gas supplier, whether or not the customer has received offers as to competitive supply options, including, but not limited to, any customer than can not obtain service from an alternative supplier for any reason, including non-payment for services. It is the gas supply component in certain Rate Schedules for Firm Sales Service customers.

"BILLING MONTH" is used herein to designate a period which begins with the first cycle in any month and ends with the last cycle.

"BOARD" is used herein to designate the New Jersey Board of Public Utilities, its predecessors or successors.

"BRITISH THERMAL UNIT" is used herein to designate the amount of heat required to raise the temperature of one (1) pound of water one (1) degree Fahrenheit at sixty (60) degrees Fahrenheit.

"CITY GATE STATION" is used herein to mean a location at which Company receives gas from a pipeline company.

"COGENERATION" is used herein to mean the process by which natural gas is burned in equipment to generate electricity and recover the by-product heat from the generation process for use in industrial processes or space heating or both.

"COMMERCIAL CUSTOMER" is used herein to be a customer, whose facility at which service is received hereunder is engaged primarily in providing a service or the sale of goods or services. This would include, but not be limited to, wholesale or retail trade, local, state and federal government agencies, agriculture, warehouses, schools, forestry, transportation, communication, sanitary services, finance, insurance, clubs, hotels, and service to three or more dwelling units through a single meter. A customer who is neither Industrial nor Residential is a Commercial Customer.

"COMPANY" as referred to herein is used to designate South Jersey Gas Company which furnishes gas service under these General Terms and Conditions.

"COSTS APPLICABLE" is used herein to mean any and all costs per therm involved in acquiring the gas sold under an applicable rate schedule. Provided, however, that "Costs Applicable" shall not include demand charges paid by the Company for gas sold under said rate schedule. As used herein, "Costs Applicable" shall include but not be limited to, costs of acquisition of gas; costs of transportation of gas; costs of storage of gas; costs of compression; interstate pipeline loss and compressor fuel; line loss on the Company's system; and Taxes.

"CUSTOMER" is used herein to designate any person, firm, organization, partnership or corporation applying for or using gas service supplied by the Company at one specific location.

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(Continued)

"CUSTOMER GROUP" is used herein to mean a group of customers served under a single rate schedule by a single Aggregator/Marketer.

"CYCLE" is used herein to designate a geographical grouping of customers each having the same meter reading and billing schedules.

"DAY" is used herein to designate a period of twenty-four (24) consecutive hours beginning at 10:00 a.m.

"DAILY PRICE SURVEY" is used herein to mean a column published in the publication "Platts Gas Daily", published by The McGraw Hill Companies. Should the "Transco, zone 6 non-N.Y." prices no longer be available in the "Daily price survey" for an reason, the Company may substitute a substantially equivalent index or calculation.

"DISTRIBUTION MAINS" is used herein to designate the network of distribution piping to which customer's service connections are made.

"DOMESTIC PURPOSES" is used herein to mean such uses of gas as are typical of a household. Such purposes include, but are not limited to cooking, water heating, clothes drying, house heating, and air conditioning.

"DWELLING UNIT" is used herein to mean apartments, flats or rooming or boarding house bedrooms.

"ELECTRONIC BULLETIN BOARD" or "EBB" shall mean the Company's electronic bulletin board, or successor electronic medium.

"EXISTING FACILITY" is used herein to mean a facility at which the Company is currently supplying or has previously supplied service under an applicable rate schedule at some time during the preceding twelve (12) months.

"FACILITY" is used herein to means all buildings and equipment located at the same geographic site which are commonly considered to be part of one plant, mill, refinery, or other industrial complex.

"FIRM" as used herein refers to a character of service offered to customers under applicable rate schedules or contracts which anticipate no interruption, except in the event of an emergency.

"FIRST GAS THROUGH THE METER" is used herein to establish a billing priority among rate schedules. When a customer purchases, transports, or secures delivery of gas on more than one rate schedule on a given day, the Company must, for billing purposes, apportion gas purchased to the rate schedules. In a case in which a particular rate schedule is deemed first through the meter, all of a customer's obligations under that rate schedule must be met, for billing purposes, before gas is billed pursuant to any other rate schedule.

"FORCE MAJEURE" as employed herein shall mean Acts of God, strikes, lockouts, or other labor disturbances, acts of the public enemy, acts in the public interest, wars, blockades, insurrection, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, arrests, the order of any court or government authority having jurisdiction while the same is in force and effect, civil disturbances, explosions, breakage, accidents to machinery, or lines of pipe, freezing of wells or lines of pipe, temporary failure of gas supply, inability to obtain or unavoidable delay

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 123

GENERAL TERMS AND CONDITIONS (Continued)

in obtaining necessary gas supplies or material and equipment, and any other cause whether of the kind herein enumerated or otherwise beyond the control of the party claiming suspension.

"GAS ACQUISITION COSTS" is used herein to mean Costs Applicable less Taxes.

"INDIVIDUALLY METERED SERVICE" is used herein to mean service through a single meter for two or less dwelling units within a single building and appurtenant outbuildings.

"INDUSTRIAL CUSTOMER" is used herein to be a customer, whose facility at which service is received hereunder is engaged primarily in the processing or changing of raw or unfinished materials into another form or product. Sand and thermal energy plants are included within this term.

"INTERRUPTIBLE" as used herein refers to a character of service under applicable rate schedules or contracts which anticipate and permit interruption on three (3) hours, notice.

"INTERRUPTIBLE MARGIN" is used herein to mean net income from Rate Schedules ITS, LMS-LV, LMS-GS and IGS multiplied by a factor to reflect Revenue Taxes and Federal Income Taxes.

"INTERRUPTIBLE USES OF GAS" is used herein to mean uses which are subject to termination on notice by the Company as provided in the applicable rate schedule, and for which the customer has, or is capable of having, an alternate fuel capability.

"MCF" is used herein to designate one thousand (1,000) cubic feet of gas.

"MONTH" is used herein to designate the period between any two consecutive regularly scheduled meter readings for billing purposes.

"NEW FACILITY" is used herein to mean a newly constructed facility or a facility at which the Company is not currently supplying and has not supplied service under an applicable rate schedule during the preceding twelve (12) months.

"OPERATING CONDITIONS" is used herein to describe lack of sufficient gas supplies at the customer's location, lack of sufficient pressure at the customer's location, or similar operating conditions which will render the Company unable to offer service at a given level requested by the customer for a 12 month period.

"OUT-OF-POCKET EXPENSES" is used herein to mean any additional costs incurred by the Company relating to the initiation and rendering of service to a specific customer; such expense shall include, but not be limited to legal expense and travel expense.

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by South Jersey Gas Company,
E. Graham, President

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Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 124

GENERAL TERMS AND CONDITIONS

(Continued)

"PRICE TO COMPARE" is used herein to mean for any Rate Schedule, the difference between the total charges to be paid by a Firm Sales Service customer under that Rate Schedule, and the total charges to be paid by a Firm Transportation Service customer under that same Rate Schedule.

"PRIME MOVER" is used herein to mean the engine, turbine, water wheel, or similar machine that drives an electric generator; or a device that converts energy to electricity directly (e.g., photovoltaic solar and fuel cells).

"RESIDENCE" is used herein to mean a location at which Residential gas consumption occurs.

"RESIDENTIAL" is used herein to mean Individually metered Service for Domestic Purposes. Provided, however, that if a customer receives individually metered service for both domestic and non-domestic purposes said service shall be deemed Commercial or Industrial, as is appropriate, if fifty (50) percent or more of gas volume consumption during any month is for other than domestic purposes.

"REVENUE TAXES" is used herein to mean all taxes applicable to revenues from the sale of natural gas. Revenue Taxes shall include, but not be limited to, New Jersey Sales and Use Tax, New Jersey Corporation Business Tax, Transitional Energy Facility Assessment and Public Utility Assessment Taxes.

"SALES SERVICE" as used herein refers to a character of service offered to customers under applicable rate schedules or contracts pursuant to which the Company offers to sell the natural gas commodity.

"SERVICE CONNECTIONS" is used herein to designate the pipe which carries gas from the distribution or transmission main to the customer's meter.

"STANDBY USES" is used herein to mean the provision of gas service for use in an appliance or device for which gas supplied by the Company is not the primary fuel.

"SUMMER SEASON" is used herein to designate the period from April 1 through October 31 of each year.

"TAXES" is used herein to mean all taxes applicable to the sale of natural gas. "Taxes" shall include, but not be limited to, Gross Receipts and Franchise Taxes; Federal Income Taxes; and Public Utility Assessment Taxes.

"THERM" is used herein to designate a unit of heating value equivalent to 100,000 Btu (British Thermal Units).

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

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Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 125

GENERAL TERMS AND CONDITIONS

(Continued)

"TOTAL HEATING VALUE" is used herein to designate the number of British Thermal Units produced by the combustion in a recording calorimeter or chromograph, at constant pressure, of the amount of gas which would occupy a volume of one (1) cubic foot at a temperature of 60 degrees Fahrenheit if saturated with water vapor, and under an assumed absolute atmospheric pressure of 14.73 pounds per square inch with air of the same temperature and pressure as the gas when the products of combustion are cooled to the initial temperature of gas and air, and when the water formed by combustion is condensed to liquid state, corrected for a water vapor free basis.

"TRANSPORTATION SERVICE" as used herein refers to a character of service offered to customers under applicable rate schedules or contracts pursuant to which the Company offers to transport and deliver to a customer's facility or residence the natural gas commodity as to which the customer holds clear and marketable title.

"WINTER SEASON" is used herein to designate the period from November 1 through March 31 of each year.

"YEAR" is used herein to designate a period of twelve consecutive "months".

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 126

STANDARD GAS SERVICE AGREEMENT (GS)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and _____, hereinafter referred to as "Buyer."

WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rate Schedule GSG Firm Sales Service ☐, Rate Schedule GSG-LV Firm Sales Service ☐, Rate Schedule GSG Firm Transportation Service ☐, Rate Schedule GSG-LV Firm Transportation Service ☐ and Rate Schedule IGS ☐ _____ at _____, as follows:

ARTICLE I

Term of Agreement

This Agreement shall commence _____ and be effective from the date hereof and the sale and purchase of services hereunder shall continue until _____, a date which is at least twelve (12) months from the commencement, and subject to Seller's possession of an adequate supply of gas as to Rate Schedules GSG Firm Sales Service; GSG-LV Firm Sales Service; and IGS, and subject to Seller's possession of adequate system capacity as to Rate Schedules GSG Firm Transportation Service and GSG-LV Firm Transportation Service, shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other, at least six (6) months prior to the end of any yearly term.

ARTICLE II

Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

ARTICLE III

Tariff For Gas Service

All terms and conditions set forth in Seller's Tariff For Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff For Gas Service and more specifically by the conditions contained in the Rate Schedule or Rate Schedules contracted for herein.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 127

STANDARD GAS SERVICE AGREEMENT (GS)

(Continued)

ARTICLE IV

Service Volumes

1. For service rendered under Rate Schedule GSG:
For the purpose of providing criteria for the proration of available supplies, Buyer hereby indicates its Minimum and Maximum Capability of accepting GSG Service:
- a. Minimum Capability _____ Mcf per day.
 - b. Maximum Capability _____ Mcf per day.

2. For service rendered under Rate Schedule IGS:
For the purpose of providing criteria for the proration of available supplies, Buyer hereby indicates its Minimum and Maximum Capability of accepting IGS Service:
- a. Minimum Capability _____ Mcf per day.
 - b. Maximum Capability _____ Mcf per day.

Customer certifies that its alternate fuel capability is _____.

3. For service rendered under Rate Schedule GSG-LV Firm Sales Service, Seller hereby agrees to sell and deliver to Buyer and Buyer agrees to pay for in accordance with the provisions of the Tariff a Contract Demand of _____ Mcf per day. This will serve as Buyer's initial Contract Demand. The Contract Demand may be adjusted by the Company from time to time, but no less than annually. The adjustments to the Contract Demand shall be based upon the Buyer's average daily usage for the month of highest usage during the preceding twelve month period, subject to normalization, if appropriate. The Buyer may then elect, in writing, a higher Contract Demand.
4. For service rendered under Rate Schedule GSG-LV Firm Transportation Service, the Company agrees to transport and deliver to the Buyer at the Buyer's facility designated on the first page of this Agreement such quantity of gas that Buyer makes available from time to time; provided, however, Company shall not be obligated to transport and deliver more than _____ Mcf per day which will be Buyer's Contract Demand.
5. It is understood by Buyer and Seller, that by electing to take delivery of gas under Rate Schedule GSG Firm Transportation Service or Rates Schedule GSG-LV Firm Transportation Service, Buyer forgoes any right or entitlement to purchase the Company's firm system gas, during the term of this Agreement. After the term of this Agreement, if Buyer requests that the Company sell firm system gas to the Buyer, the Buyer shall be treated as a new applicant for service, with no greater entitlement to firm gas sales service than is had by any other New Customer.
6. By checking the box at the end of this sentence, customer elects to take balancing service under Rider "I", rather than under Rider "J". ☐
7. The customer's Daily Contract Quantity ("DCQ") will be established pursuant to the terms of Rider "J" to this Tariff. Under no circumstances shall the Company be obligated to deliver more than the customer's DCQ for the

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

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Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 128

STANDARD GAS SERVICE AGREEMENT (GS)

(Continued)

customer's account. Moreover, if the DCQ shall prove insufficient or excessive in any respect for the customer's needs, the Company shall not assume any responsibility or liability of any kind for such excess or insufficiency.

8. For service rendered under Rate Schedule GSG Firm Transportation Service or Rate Schedule GSG-LV Firm Transportation Service, by checking the box at the end of this sentence, Buyer hereby elects to take a Capacity Assignment of interstate pipeline capacity from the Company, pursuant to a Capacity Assignment Agreement in a quantity equal to Buyer's average daily consumption during a peak winter month, for Rate Schedule GSG Customers which is agreed to be _____ Mcf per day ☐; or in a quantity equal to Buyer's Contract Demand for Rate GSG-LV customers ☐.

ARTICLE V

Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff For Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

ARTICLE VI

Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 129

STANDARD GAS SERVICE AGREEMENT (GS)

(Continued)

This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

ATTEST:

ATTEST:

SOUTH JERSEY GAS COMPANY

By: _____
(Name)

(Title)

SELLER

(Name - Company)

By: _____
(Name)

(Title)

BUYER

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 130

STANDARD GAS SERVICE AGREEMENT (LV)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and _____ hereinafter referred to as "Buyer."

WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rate Schedule(s) _____ at _____ as follows:

ARTICLE I
Term of Agreement

This Agreement shall commence _____ and be effective from the date hereof and the sale and purchase of services hereunder shall continue until _____, a date which is at least twelve (12) months from the commencement, and subject to Seller's possession of an adequate supply of gas as to Rate Schedules LVS and IGS, and subject to Seller's possession of adequate system capacity as to Rate Schedules LVS Firm Transportation Service and CTS shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other, at least six (6) months prior to the end of any yearly term.

ARTICLE II
Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulation of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

ARTICLE III
Tariff For Gas Service

All terms and conditions set forth in Seller's Tariff For Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff For Gas Service and more specifically by the conditions contained in the Rate Schedule or Rate Schedules contracted for herein.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 131

STANDARD GAS SERVICE AGREEMENT (LV)

(Continued)

ARTICLE IV
Service Volumes

1. For service rendered under Rate Schedule LVS _____ or CTS _____ (check appropriate space): Seller hereby agrees to sell and deliver to Buyer and Buyer agrees to pay for in accordance with provisions of the tariff a Contract Demand of _____ Mcf per day. By checking the box at the end of this sentence, Buyer hereby elects to take a Capacity Assignment of interstate pipeline capacity from the Company, pursuant to a Capacity Assignment Agreement with a term co-extensive with the Term of Agreement set forth in Article I, in a quantity equal to Buyer's Contract Demand for a period of time co-extensive with the Term of Agreement pursuant to Article I. ☐ Buyer hereby elects to take service in excess of Contract Demand pursuant to the Limited Firm provisions of Rate Schedule CTS. ☐
2. For service rendered under Rate Schedule IGS:
For the purpose of providing criteria for the proration of available supplies, Buyer hereby indicates its minimum and maximum capability of accepting IGS Service:
 - a. Minimum capability _____ Mcf per day.
 - b. Maximum capability _____ Mcf per day.

Customer certifies that its alternate fuel capability is _____.

3. For service rendered under Rate Schedule LVS Firm Transportation Service or CTS:
The Company agrees to transport and deliver to the Buyer at the Buyer's facility designated on the first page of this Agreement such quantity of gas that Buyer makes available from time to time; provided, however, Company shall not be obligated to transport and deliver more than _____ Mcf per day which will be Buyer's Contract Demand.

It is understood by Buyer and Seller, that by electing to take delivery of gas under Rate Schedule LVS Firm Transportation Service or CTS, Buyer forgoes any right or entitlement to purchase the Company's firm system gas, during the term of this Agreement. After the term of this Agreement, if Buyer requests that the Company sell firm system gas to the Buyer, the Buyer shall be treated as a new applicant for service, with no greater entitlement to firm gas sales service than is had by any other New Customer.

ARTICLE V
Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 132

STANDARD GAS SERVICE AGREEMENT (LV)
(Continued)

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in the Company's Tariff For Gas Service, B.P.U.N.J. No. 9 - Gas. Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

ARTICLE VI
Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 133

STANDARD GAS SERVICE AGREEMENT (LV)

(Continued)

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SOUTH JERSEY GAS COMPANY

ATTEST:

By: _____
(Name)

(Title)

Seller:

ATTEST:

By: _____
(Name)

(Title)

Buyer:

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 134

STANDARD GAS SERVICE AGREEMENT (ITS)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Company" and _____ hereinafter referred to as "Customer."

WITNESSETH

WHEREAS, Company's Tariff for Gas Service contains a Rate Schedule designated as Interruptible Transportation Service (ITS); and

WHEREAS, Customer has arranged to have gas, to which Customer has clear and marketable title, made available for transportation service on the Company's system and the Customer has provided evidence of such title to the Company as required by the ITS Rate Schedule; and

WHEREAS, Customer has requested Company to transport said gas under Rate Schedule ITS, from Company's city gate station(s) located at _____

ARTICLE I
Term of Agreement

NOW, THEREFORE, Company and Customer agree as follows:

This Agreement shall commence on _____ and be effective from the date hereof and continue for a term of (one month minimum term) and continue thereafter from month to month until terminated by either Company or Customer by written notice at least thirty (30) days prior to the beginning of any one month term.

ARTICLE II
Duly Constituted Authorities

The Company's rates, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 135

STANDARD GAS SERVICE AGREEMENT (ITS)
(Continued)

ARTICLE III
Tariff For Gas Service

All terms and conditions set forth in Company's Tariff for Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All services are subject to the General Terms and Conditions of Company's Tariff for Gas Service and more specifically the provisions set forth in the Interruptible Transportation Service (ITS) Rate Schedule.

ARTICLE IV
Service Volumes

The Company agrees to transport such quantity of gas that Customer makes available from time to time; provided, however, that Company shall not be obligated to transport and deliver more than _____ DT per day, the Scheduled Daily Delivery.

ARTICLE V
No Priority

Customer and Company recognize and agree that the provision of service under Rate Schedule ITS by the Company shall not afford the Customer any benefit or priority of entitlement to service under any other rate schedule of the Company. Should the Customer apply for service under any other rate schedule of the Company, the Customer will be treated no differently from any other applicant for service similarly situated under similar conditions.

ARTICLE VI
Alternate Fuel Capability

Customer certifies that its alternate fuel capability is _____.

ARTICLE VII
Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 136

STANDARD GAS SERVICE AGREEMENT (ITS)

(Continued)

payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff for Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve customer from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

ARTICLE VII

Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto solely for the transportation of gas by the Company to the Customer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any further default or defaults, whether of a like or a different character.

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Customer without the Consent in writing of Company first obtained.

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

**Effective with service rendered
on and after July 1, 2004**

**Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____**

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 137

STANDARD GAS SERVICE AGREEMENT (ITS)
(Continued)

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SOUTH JERSEY GAS COMPANY

ATTEST:

By: _____
(Name)

(Title)

(Name of Customer)

ATTEST:

By: _____
(Name)

(Title)

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 138

STANDARD GAS SERVICE AGREEMENT (EDR)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and _____ hereinafter referred to as "Buyer."

WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rider H of applicable Rate Schedule at _____, as follows:

ARTICLE I

Term of Agreement

This Agreement shall commence _____ and be effective until _____.

ARTICLE II

Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

ARTICLE III

Tariff For Gas Service

All terms and conditions set forth in Seller's Tariff For Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff For Gas Service and more specifically by the conditions contained in the Rate Schedule contracted for herein.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 139

STANDARD GAS SERVICE AGREEMENT (EDR)
(Continued)

ARTICLE IV
EDR Criteria

The Company and customer agree that the customer's facility at the above described location is a [New Facility] [Existing Facility]. The base period billings to be utilized, if applicable, are:

<u>Month/Year</u>	<u>Mcf Consumption</u>
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	

ARTICLE V
Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff For Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 140

STANDARD GAS SERVICE AGREEMENT (EDR)

(Continued)

of amounts then due hereunder in respect of all gas theretofore delivered.

ARTICLE VI

Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

ATTEST:

ATTEST:

SOUTH JERSEY GAS COMPANY

By: _____

(Name)

(Title)

SELLER

(Name - Company)

By: _____

(Name)

(Title)

BUYER

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

**Effective with service rendered
on and after July 1, 2004**

**Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____**

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 141

STANDARD GAS SERVICE AGREEMENT (IGS)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and _____ hereinafter referred to as "Buyer."

WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rate Schedule(s) _____ at _____, as follows:

ARTICLE I
Term of Agreement

This Agreement shall commence _____ and be effective from the date hereof and the sale and purchase of gas hereunder shall continue until _____, a date which is at least twelve (12) months from the commencement, and subject to Seller's possession of an adequate supply of gas, shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other at least six (6) months prior to the end of any yearly term.

ARTICLE II
Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

ARTICLE III
Tariff For Gas Service

All terms and conditions set forth in Seller's Tariff For Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff For Gas Service and more specifically by the conditions contained in the Rate Schedule contracted for herein.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 142

STANDARD GAS SERVICE AGREEMENT (IGS)

(Continued)

ARTICLE IV

Service Volumes

For service rendered under Rate Schedule IGS:

For the purpose of providing criteria for the proration of available supplies, Buyer hereby indicates its minimum and maximum capability of accepting IGS Service:

- a. Minimum capability _____ Mcf per day.
- b. Maximum capability _____ Mcf per day.

Customer certifies that the alternate fuel capability is _____.

ARTICLE V

Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by or in consequence of force majeure, as defined in Company's Tariff For Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 143

STANDARD GAS SERVICE AGREEMENT (IGS)
(Continued)

ARTICLE VI
Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SOUTH JERSEY GAS COMPANY

ATTEST:

By: _____
(Name)

(Title)

SELLER

ATTEST:

(Name - Company)

By: _____
(Name)

(Title)

BUYER

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 144

STANDARD GAS SERVICE AGREEMENT (EGS)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and _____, hereinafter referred to as "Buyer."

WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rate Schedule EGS ☐; or Rate Schedule EGS-LV ☐: at _____ as follows:

ARTICLE I

Term of Agreement

This Agreement shall be effective from the date of execution. The sale and purchase of gas hereunder shall commence on _____ and continue until _____, and subject to Seller's possession of an adequate supply of gas (except for Rate Schedule EGS-LV customers electing Rider "D" and Rate Schedule EGS Firm Transportation customers), shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other, at least six (6) months prior to the end of any yearly term, or the initial term.

ARTICLE II

Facilities Charge

In consideration for Seller's agreement to provide service as described in this agreement, Buyer agrees to pay a facilities charge of \$ _____, at the time of execution of Standard Gas Service Agreement (EGS), which represents the initial estimate of the capital cost of providing service to the Buyer's facility or some agreed upon portion thereof. This payment will be refunded or credited against the customer security deposit, after the first month of the provision of gas service to the customer. If the Buyer terminates this agreement or fails to initiate service hereunder, or fails to make any deposit required by Article III, this sum shall be retained by the Seller.

ARTICLE III

Commitment Fee

Each potential payment obligation of Buyer under this Article III, shall be deposited with the Company twelve (12) months in advance, without interest, if gas service commences more than twelve (12) months from the effective date of this agreement, the Buyer shall pay to Seller, a nonrefundable commitment fee of \$ _____, which shall be equal to one month's minimum bill, and shall pay an equal amount on each anniversary date of the effective date of this Standard Gas Service Agreement (EGS), until gas service commences.

Pursuant to this Article III, Buyer hereby deposits with the Company, and the Company hereby acknowledges a deposit of \$ _____.

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

**Effective with service rendered
on and after July 1, 2004**

**Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____**

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 145

STANDARD GAS SERVICE AGREEMENT (EGS)

(Continued)

ARTICLE IV

Buyer Security Deposit

Seller may require from Buyer a security deposit which will be due before the commencement of gas service. This deposit will be equal to the estimated amount of two (2) monthly billings for Buyers served under Rate Schedule EGS-LV and intending to utilize Rider D and for Rate Schedule EGS Firm Transportation customers and three (3) monthly billings for Buyers intending to utilize the Company's gas supply.

ARTICLE V

Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

ARTICLE VI

Tariff for Gas Service

All terms and conditions set forth in Seller's Tariff for Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff for Gas Service and more specifically by the conditions contained in the Rate Schedule contracted for herein.

ARTICLE VII

Service Volumes

1. For service rendered under Rate Schedule EGS-LV, customer's Firm and Limited Firm Daily Contract Demands shall be:
 - a. Firm - _____ Mcf per day, to be the first gas through the meter each day.
 - b. Limited Firm - _____ Mcf per day, to be the next gas through the meter each day.
2. Buyer hereby elects, by signing in the space below to provide its own gas pursuant to Rider D. All or any portion of Buyer's Firm Daily Contract Demand and Limited Firm Daily Contract Demand, pursuant to this Article VII of the Standard Gas Service Agreement (EGS), may be met through Rider D, and Seller has no obligation to sell gas to Buyer under any other article, paragraph or provision of Rate Schedule EGS-LV or the Standard Gas Service Agreement (EGS).

Buyer hereby elects Rider D _____.

For service rendered under Rate Schedule EGS-LV, customer's Firm and Limited Firm Daily Contract Demand levels provided pursuant to Rider D shall be:

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 146

STANDARD GAS SERVICE AGREEMENT (EGS)
(Continued)

- a. Firm - _____ Mcf per day.
- b. Limited Firm - _____ Mcf per day.
3. For service rendered under Rate Schedule EGS, customer's Firm Daily Contract Demand shall be:
_____ Mcf per day, to be the first gas through the meter each day.
4. For service rendered under Rate Schedule EGS Firm Transportation Service:
The Company agrees to transport and deliver to the Buyer at the Buyer's facility designated on the first page of this Agreement such quantity of gas that Buyer makes available from time to time; provided, however, Company shall not be obligated to transport and deliver more than _____ Mcf per day which will be Buyer's Contract Demand.

It is understood by Buyer and Seller, that by electing to take delivery of gas under Rate Schedule EGS Firm Transportation Service, Buyer forgoes any right or entitlement to purchase the Company's firm system gas, during the term of this Agreement. After the term of this Agreement, if Buyer requests that the Company sell firm system gas to the Buyer, the Buyer shall be treated as a new applicant for service, with no greater entitlement to firm gas sales service than is had by any other New Customer.

ARTICLE VIII
Rates

_____ As provided in the Monthly Rate section of Rate Schedule EGS; or

_____ Negotiated rates pursuant to Special Provision (e) of Rate Schedule EGS-LV:

D-1 charge will be _____.

Limited Firm:

C-3 charge will be _____. **ALL CUSTOMERS MUST COMPLETE.**

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 147

STANDARD GAS SERVICE AGREEMENT (EGS)
(Continued)

ARTICLE IX
Election

By checking the box at the end of this sentence, customer elects to take balancing service under Rider "I", rather than under Rider "J" to this Tariff. ☐

ARTICLE X
Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff for Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

ARTICLE XI
Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 148

STANDARD GAS SERVICE AGREEMENT (EGS)
(Continued)

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SOUTH JERSEY GAS COMPANY

ATTEST:

By: _____
(Name)

(Title)

SELLER

ATTEST:

(Name - Company)

(Name)

(Title)

BUYER

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 149

STANDARD GAS SERVICE AGREEMENT (FES)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and _____ and hereinafter referred to as "Buyer."

WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rate Schedule FES _____ at _____, which is Buyer's FES Facility, as follows:

ARTICLE I

Term of Agreement

This Agreement shall commence _____ and be effective from the date hereof and the sale and purchase of gas hereunder shall continue until _____, and subject to Seller's possession of an adequate supply of gas, shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other, at least six (6) months prior to the end of the initial term or any yearly term.

ARTICLE II

Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulation of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey.

ARTICLE III

Tariff For Gas Service

All terms and conditions set forth in Seller's Tariff For Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff For Gas Service and more specifically by the conditions contained in the rate schedules contracted for herein.

ARTICLE IV

Service Volumes

Firm:

Seller hereby agrees to sell and deliver to Buyer and Buyer agrees to pay for in accordance with provisions of the tariff:

- (1) a Winter Daily Contract Demand of _____ Mcf per day;
- (2) a Summer Daily Contract Demand of _____ MCF per day.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 150

STANDARD GAS SERVICE AGREEMENT (FES)
(Continued)

Billing Determinants:

- (1) Customer shall have a Annual Billing Determinant ("ABD") of _____ .
(2) Customer shall have a Daily Billing Determinant of _____ . (ABD/365)

ARTICLE V
Rates

Negotiated rates pursuant to Special Provision (j) of the Rate Schedule FES are as follows:

Winter Rates:

D-1 Charge will be _____ .

C-3 Charge will be _____ .

Summer Rates:

D-1 Charge will be _____ .

C-3 Charge will be _____ .

ARTICLE VI
Winter Season Interruption

Buyer and Seller agree that Buyer's service under Rate Schedule FES may be partially or totally interrupted on ____ days during a Winter Season pursuant to Special Provision (r) of Rate Schedule FES

ARTICLE VII
Customer Owned Gas

Customer has requested Company to deliver said gas under Rate Schedule FES, Rider "D" from Company's city gate station(s) located at

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 151

STANDARD GAS SERVICE AGREEMENT (FES)

(Continued)

The Company agrees to deliver such quantity of gas that Customer makes available from time to time: provided, however, Company shall not be obligated on a daily basis to deliver more than customer's Winter Daily Contract Demand or Summer Daily Contract Demand for the then applicable season.

ARTICLE VIII

Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff For Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

ARTICLE IX

Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements for firm service, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 152

STANDARD GAS SERVICE AGREEMENT (FES)
(Continued)

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SOUTH JERSEY GAS COMPANY

ATTEST:

By: _____
(Name)

(Title)

SELLER

ATTEST:

(Name - Company)

By: _____
(Name)

(Title)

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 153

AGREEMENT NO. :

AGGREGATOR/MARKETER'S AGREEMENT (A/M)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey corporation, sometimes hereinafter referred to as "Seller", "South Jersey" or "Company" and _____, a _____ corporation whose principal place of business is located at _____, and who transacts business as an Aggregator of gas or as a Marketer of gas, sometimes collectively hereinafter referred to as "Aggregator/Marketer". South Jersey and the Aggregator/Marketer are parties to this Agreement, and are sometimes hereinafter referred to as "Parties."

WHEREAS, South Jersey is a regulated public utility of the State of New Jersey, and is engaged in the sale, distribution and transportation of gas in intrastate commerce within said State; and

WHEREAS, the Aggregator/Marketer has arranged for the delivery of gas to a City Gate Station of South Jersey, on behalf of certain customers ("Customers") identified on Appendix A to this Agreement. Each group of customers served under a single Rate Schedule will be designated as a "Customer Group"; and

WHEREAS, each Customer Group will consist of Customers served pursuant to a single Rate Schedule of the South Jersey Tariff for Gas Service, B.P.U.N.J. No. 9 - Gas and will be designated on Appendix A by reference to that Rate Schedule;

WHEREAS, the Customers who constitute the members of the Customer Groups have requested that South Jersey transport gas for the Customers on an aggregated basis, as part of said Customer Groups; and

WHEREAS, the Company has agreed to perform such transportation of gas, subject to the terms of this Agreement.

NOW, THEREFORE, the Parties, intending to be legally bound hereby, in exchange for the mutual promises contained herein; agree as follows:

1. **Term.** The term of this Agreement shall be one year from the date of this Agreement, and shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other at least thirty (30) days prior to the effective date of any termination.
2. **Aggregation.** Attached hereto as Appendix A is a list of those Customers comprising the initial Customer Groups pursuant to the terms of this Agreement, if such groups exist. On or before the tenth (10th) day of each calendar month, the Aggregator/Marketer shall provide the Company with a revised Appendix A in which the Aggregator/Marketer will designate those Customers who will be members of the Customer Groups for the immediately following calendar month. This list will be furnished on a preliminary basis. The Company may then advise the Aggregator/Marketer of any members of the Customer Groups who have been removed from the Customer Groups for cause pursuant to the terms of this Agreement, as well as any Customers who have advised the Company that they have "opted out" of

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

**Effective with service rendered
on and after July 1, 2004**

**Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____**

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 154

AGGREGATOR/MARKETER'S AGREEMENT (A/M)

(Continued)

the Customer Groups. On or before the twentieth (20th) day of said calendar month, the Aggregator/Marketer will provide the Company with a final Appendix A for the immediately following calendar month. Then all of the volumes transported for that Customer Group under the terms of this Agreement shall be aggregated as to that single customer Group for the purposes of Rider "I", the Balancing Service Clause - Large Volume, of the Tariff for Gas Service, or Rider "J", the Balancing Service Clause - General Service of the Tariff for Gas Service.

3. **Liability for Tariff Charges.** Each month, South Jersey will render an invoice to the Aggregator/Marketer for tariff charges pursuant to Rider "I" or Rider "J" to the Tariff for Gas Service on an aggregated basis for the Customer Group, as well as for the monthly Aggregator/Marketer's Fee, but excluding the BS-1 Volumetric Charges. This invoice shall be payable pursuant to the applicable Terms of Payment provisions of the applicable rider of South Jersey's Tariff for Gas Service. The Aggregator/Marketer shall be responsible for the payment of all charges pursuant to this paragraph. South Jersey will invoice the customer directly for charges for transportation pursuant to the applicable Rate Schedule, and for the BS-1 Volumetric Charges.

4. **RESERVED FOR FUTURE USE**

5. **Aggregator's/Marketer's Fee.** The monthly fee for the provision of aggregation services by the Company and for access by the Aggregator/Marketer to the Company's Electronic Bulletin Board will be One Hundred Dollars (\$100.00) ("Aggregator/Marketer's Fee") per Aggregator/Marketer. In addition, the Company may provide additional services to the Aggregator/Marketer at an agreed upon charge or charges. Such charge or charges shall be included on the invoice for the monthly fee. Such charge or charges may include a charge negotiated by South Jersey and the Aggregator/Marketer, for South Jersey to invoice the customer for the natural gas commodity.

6. **Removal for Cause.** All members of a Customer Group must qualify for service under Rate Schedule of the Seller's Tariff for Gas Service applicable to the Customer Group, and aggregation pursuant to this Agreement will be performed only for Customers within a single Customer Group. If South Jersey determines that a Customer no longer qualifies for service under the Rate Schedule applicable to the appropriate Customer Group, it shall remove that Customer from the Customer Group, and such action shall be Removal for Cause.

Removal for Cause shall also be permitted: (1) if any Customer fails to meet any financial obligation imposed by this Agreement or by the Tariff for Gas Service or violates the terms of any Operational Flow Order issued pursuant to said Tariff for Gas Service; or (2) conducts business with the Seller in a manner which jeopardizes South Jersey's ability to serve customers of equal or higher priority to the Customer under N.J.A.C. 14:29-3.2(a)l, irrespective of whether N.J.A.C. 14:29-3.2(a)l is actually invoked; or (3) pursues any other conduct detrimental to the Company's system integrity.

If Removal for Cause is invoked by the Company, it shall be done upon at least twenty-four hours notice, orally or in writing, which notice shall specify the effective date and reasons for such removal. Removal for cause shall not relieve the Customer of any responsibility or liability incurred before the effective date of the Removal for Cause.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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AGGREGATOR/MARKETER'S AGREEMENT (A/M)

(Continued)

7. **Customer Opt Out.** Any member of a Customer Group may elect to opt out of the Customer Group. Notice of such election must be provided to the Company, orally or in writing, on or before the tenth day of the calendar month during which such election shall be effective. The election to opt out of the Customer Group shall be effective until the end of the term of this Agreement. Provided, however, that the election to opt out of the Customer Group shall not relieve the Customer of any responsibility or liability incurred under this Agreement, the Tariff for Gas Service, or otherwise, for periods of time prior to the time that such election became effective.

8. **Provision of Data.** In order for South Jersey to provide gas consumption history and billing data relative to a member of a Customer Group such member must authorize South Jersey to provide to the Aggregator/Marketer, such data upon a form entitled "Authorization to Release Account Information".

9. **Computer Capability.** Aggregator/Marketer agrees that throughout the Term of this Agreement, Aggregator/Marketer will maintain computer capability necessary to access Seller's Electronic Bulletin Board.

10. **Aggregator/Marketer Creditworthiness Standards.** As a condition precedent to this Agreement, the Aggregator/Marketer must meet creditworthiness standards acceptable to the Seller, throughout the Term of this Agreement. In addition, upon the execution of this Agreement, and thereafter, the Company may perform an evaluation of the Customer's creditworthiness. If South Jersey, at any time, deems that Aggregator/Marketer has not met Seller's creditworthiness standards, the Company may require that the Aggregator/Marketer post a cash deposit, letter of credit, performance bond or similar credit facility or other collateral, satisfactory to South Jersey as a condition precedent to this Agreement. In order to assist South Jersey in making its determinations, Aggregator/Marketer agrees to supply such information as the Company will reasonably require to make creditworthiness determinations. Should the Aggregator/Marketer fail to provide such information, Seller may refuse to proceed or continue with this Agreement.

11. **Termination for Conduct of Aggregator/Marketer.** South Jersey may terminate this Agreement if the Aggregator/Marketer engages in certain prohibited conduct ("Prohibited Conduct"). The Prohibited Conduct shall include: (1) the failure to meet any financial obligation imposed by this Agreement, or by the Tariff for Gas Service; (2) the conduct of business with the Seller which jeopardizes South Jersey's ability to serve customers of equal or higher priority to the members of the Customer Group under N.J.A.C. 14:29-3.2(a)l, irrespective of whether N.J.A.C. 14:29-3.2(a)l is actually invoked; (3) the pursuit of any other conduct detrimental to the Company's system integrity; (4) failure of the Aggregator/Marketer to comply with South Jersey's "Transportation Operating Procedures"; or (5) failure to comply with the Company's Tariff for Gas Service.

At least twenty-four hours, notice of termination for Prohibited Conduct shall be given by the Company to the Aggregator/Marketer and the Customer Group, orally or in writing. Such notice shall specify the effective date of termination and the Prohibited Conduct which is the basis of termination. Termination for Prohibited Conduct shall not relieve the Aggregator/Marketer or members of the Customer Group of any responsibility or liability incurred prior to the effective date of the termination for Prohibited Conduct.

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by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

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SOUTH JERSEY GAS COMPANY

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AGGREGATOR/MARKETER'S AGREEMENT (A/M)

(Continued)

12. In the event that, during any month the sum of the month-to-date Deficiency Imbalances or Excess Imbalances, for non-Force Majeure reasons, for an Aggregator/Marketer exceeds three (3) times the applicable of ADCQ or ACD or both, South Jersey will immediately notify the Aggregator/Marketer via telephone, facsimile or similar means. If Deficiency Imbalances or Excess Imbalances reach five (5) times the applicable of ADCQ or ACD or both, the following will occur: (1) the Aggregator/Marketer is no longer eligible to function as an Aggregator/Marketer on South Jersey's system until the conditions set forth in this Paragraph 12 are satisfied, but not before the first (1st) day of the following month; and (2) for the balance of the current month and for future months, the affected Aggregator/Marketer's customers will be supplied natural gas by South Jersey and will be billed on a prorated basis according to the following schedule:

Rate Schedule

RSG Firm Transportation Service
GSG Firm Transportation Service
GSG-LV Firm Transportation Service
LVS Firm Transportation Service

EGS

EGS-LV
FES
ITS

Billing Charges

GSG-LV Monthly BGSS Rate
GSG-LV Monthly BGSS Rate
GSG-LV Monthly BGSS Rate
GSG-LV Monthly BGSS Rate

EGS Monthly BGSS Rate

EGS-LV Monthly BGSS Rate EGS-LV
FES Firm Market Volumetric Charge
Monthly Rate pursuant to Rate Schedule IGS

Such customers will be charged on a prorated basis upon the appropriate Rate Schedule, including all Special Provisions of the appropriate rate schedule for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the revised billing rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of Aggregator/Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to South Jersey in an amount equal to two (2) times that which would otherwise be required by South Jersey. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by South Jersey. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon South Jersey's system for an additional one (1) year period.

As used in this Paragraph 12, ADCQ shall mean the aggregate of all Daily Contract Quantities, expressed in dekatherms, of all customers served by an Aggregator/Marketer. ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator/Marketer. For a customer who does not have a Contract Demand, the Company shall supply a quantity to be used in lieu thereof.

**Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President**

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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AGGREGATOR/MARKETER'S AGREEMENT (A/M)

(Continued)

13. **Force Majeure.** In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other parties within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period. Such cause shall so far as possible be remedied with all reasonable dispatch.

No party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff for Gas Service, B.P.U.N.J. No. 9 Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve the Aggregator/Marketer, Customer or Customer Group from their obligations to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

14. **No Agency.** South Jersey will in no respect be deemed to be either the Aggregator's/Marketer's agent or representative nor any Customer's nor the Customer Group's agent or representative, for any purposes, and South Jersey shall not be responsible for making or carrying out any contracts or agreements for or related to this Agreement on behalf of the Aggregator/Marketer, or of a Customer or Customer Group.

15. **Hold Harmless.** Aggregator/Marketer and Customers agree to hold South Jersey harmless and indemnify Seller, its officers and directors, from any cost, disbursement, charge or liability (including attorneys' fees), or any claims, suits, judgments, demands, actions or liability, arising directly or indirectly from Aggregator/Marketer's acts or omissions under this Agreement or from the use of the Company's system by Aggregator/Marketer or a Customer or the Customer Group.

16. **Law to Govern and Forum.** This Agreement shall be interpreted in accordance with the laws of the State of New Jersey. Any dispute arising under this Agreement shall be subject to the jurisdiction of the Superior Courts of the State of New Jersey or federal courts within the State of New Jersey. South Jersey and Aggregator/Marketer agree that the Superior Courts of the State of New Jersey have personal jurisdiction over the parties and subject matter jurisdiction of the Agreement. Moreover, South Jersey and Aggregator/Marketer agree that as to actions in the Superior Court, venue is appropriate in either Atlantic County or Camden County, New Jersey.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Original Sheet No. 158

AGGREGATOR/MARKETER'S AGREEMENT (A/M)

(Continued)

17. **Binding Effect.** This Agreement shall be binding upon the parties hereto, and their agents, successors and assigns.

18. **No Modification.** This Agreement supersedes and cancels any other agreement dealing with the same subject matter. This Agreement may not be modified, altered, or amended except by a written agreement, signed by the parties hereto.

19. **No Assignment.** This Agreement shall not be assigned or be assignable by the Aggregator/Marketer or a Customer or Customers without the consent in writing of the Company first obtained.

20. **Marketer Standards.** Notwithstanding any other requirements of this Aggregator/Marketer's Agreement, in order to operate as a Aggregator/Marketer on the Company's system, an Aggregator/Marketer must comply with all Board approved Marketer Standards.

SOUTH JERSEY GAS COMPANY

ATTEST:

By: _____
(Name)

(Title)

ATTEST:

(NAME OF AGGREGATOR/MARKETER)

By: _____
(Name)

(Title)

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

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AGGREGATOR/MARKETER'S AGREEMENT (A/M)
(Continued)

APPENDIX A

This Appendix A is incorporated in and made part of that certain Agreement dated _____ ,
Agreement No. _____ , to which it is appended, and the same Agreement is incorporated into this Appendix A and
made a part of this Appendix A. This Appendix A is dated _____ .

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

**Issued August 29, 2003
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RESIDENTIAL FIRM TRANS SERV (RSG FTS)
(After July 14, 1997)

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
Appendix A

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<u>RESIDENTIAL FIRM SALES SERV (RSG FTS)</u>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	7.2500					0.4350	7.6850
Basic Gas Supply Service (BGSS):			0.7960		0.0015	0.0479	0.8454
Delivery Charge:							
COST OF SERVICE	0.3062	0.0203				0.0196	0.3461
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
				0.0260	0.0000	0.0016	0.0276
Total SBC							
TAC				0.0000	0.0000	0.0000	0.0000
Total	0.3062	0.0203	0.0000	0.0262	0.0000	0.0212	0.3739

RESIDENTIAL AIR CONDITIONING SERVICE (RSG)

AIR CONDITIONING (RSG FTS)
(Prior to July 15,1997)

Customer Charge	7.2500					0.4350	7.6850
Delivery Charge:							
COST OF SERVICE - First 33	0.3062	(0.0157)				0.0174	0.3079
COST OF SERVICE - Over 33	0.3019	(0.0157)				0.0172	0.3034
TIC				0.0002	0.0000	0.0030	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
				0.0260	0.0000	0.0016	0.0276
				0.0000	0.0000	0.0000	0.0000
Total SBC			0.0376		0.0001	0.0023	0.0400
TAC							
BSC "J" BS-1							
BSC "J" BUY-OUT PRICE - Rate set monthly							
Total - First 33 Therms	0.3062	(0.0157)	0.0376	0.0262	0.0001	0.0213	0.3757
Total - Over 33 Therms	0.3019	(0.0157)	0.0376	0.0262	0.0001	0.0211	0.3712

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
Appendix A

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<u>AIR CONDITIONING (RSG FTS)</u> (After July 14, 1997)	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>AL SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	7.2500					0.4350	7.6850
Delivery Charge:							
COST OF SERVICE - First 33	0.3062	0.0203				0.0196	0.3461
COST OF SERVICE - Over 33	0.3019	0.0203				0.0193	0.3415
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC				0.0000	0.0000	0.0000	0.0000
BSC "J" BS-1			0.0376		0.0001	0.0023	0.0400
BSC "J" BUY-OUT PRICE - Rate set monthly							
Total - First 33 Therms	0.3062	0.0203	0.0376	0.0262	0.0001	0.0235	0.4139
Total - Over 33 Therms	0.3019	0.0203	0.0376	0.0262	0.0001	0.0232	0.4093
<u>AIR CONDITIONING (RSG FTS)</u>							
Customer Charge	7.2500					0.4350	7.6850
Basic Gas Supply Service (BGSS):							
BGSS - First 33 Therms			0.7960		0.0015	0.0479	0.8454
BGSS - Over 33 Therms			0.7478		0.0014	0.0450	0.7942
Delivery Charge:							
COST OF SERVICE - First 33	0.3062	0.0203				0.0196	0.3461
COST OF SERVICE - Over 33	0.3019	0.0203				0.0193	0.3415
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC				0.0000	0.0000	0.0000	0.0000
Total - First 33 Therms	0.3062	0.0203	0.0000	0.0262	0.0000	0.0212	0.3739
Total - Over 33 Therms	0.3019	0.0203	0.0000	0.0262	0.0000	0.0209	0.3693

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
Appendix A

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<u>GENERAL SERVICE (GSG)</u>		<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>GENERAL SERVICE FIRM TRANS (GSG/FTS)</u> (Prior to July 15, 1997)								
Customer Charge		17.5000					1.0500	18.5500
Delivery Charge:								
COST OF SERVICE		0.2183	0.0044				0.0134	0.2361
TIC								
SBC:					0.0002	0.0000	0.0000	0.0002
CLEP					0.0134	0.0000	0.0008	0.0142
RAC					0.0025	0.0000	0.0002	0.0027
CEP					0.0027	0.0000	0.0002	0.0029
USF					0.0074	0.0000	0.0004	0.0078
Total SBC					0.0260	0.0000	0.0016	0.0276
TAC				0.0376	0.0000	0.0000	0.0000	0.0000
BSC "J" BS-1				0.0376	0.0001	0.0001	0.0023	0.0400
BSC "J" BUY-OUT PRICE - Rate set monthly								
Total		0.2183	0.0044	0.0376	0.0262	0.0001	0.0173	0.3039
<u>GENERAL SERVICE FIRM TRANS (GSG/FTS)</u> (After July 14, 1997)								
Customer Charge		17.5000					1.0500	18.5500
Delivery Charge:								
COST OF SERVICE		0.2183	0.0225				0.0144	0.2552
TIC								
SBC:					0.0002	0.0000	0.0000	0.0002
CLEP					0.0134	0.0000	0.0008	0.0142
RAC					0.0025	0.0000	0.0002	0.0027
CEP					0.0027	0.0000	0.0002	0.0029
USF					0.0074	0.0000	0.0004	0.0078
Total SBC					0.0260	0.0000	0.0016	0.0276
TAC				0.0376	0.0000	0.0000	0.0000	0.0000
BSC "J" BS-1				0.0376	0.0001	0.0001	0.0023	0.0400
BSC "J" BUY-OUT PRICE - Rate set monthly								
Total		0.2183	0.0225	0.0376	0.0262	0.0001	0.0183	0.3230

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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<u>GENERAL SERVICE FIRM SALES (GSG FSS)</u>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NI SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	17.5000					1.0500	18.5500
Basic Gas Supply Service (BGSS):			0.7960		0.0015	0.0479	0.8454
Delivery Charge:							
COST OF SERVICE	0.2183	0.0225				0.0144	0.2552
TIC							
SBC:				0.0002	0.0000	0.0000	0.0002
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC				0.0000	0.0000	0.0000	0.0000
Total	0.2183	0.0225	0.0000	0.0262	0.0000	0.0160	0.2830

GENERAL SERVICE-LV (GSG-LV)

GENERAL SERVICE - LV FTS (GSG-LV-FT)
(Prior to July 15, 1997)

Customer Charge	100.0000					6.0000	106.0000
D-1 Demand Charge	6.9863					0.4192	7.4055
Delivery Charge:							
COST OF SERVICE	0.1533	0.0044				0.0095	0.1672
TIC							
SBC:				0.0002	0.0000	0.0000	0.0002
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC			0.0376	0.0000	0.0000	0.0000	0.0000
BSC "J" BS-1				0.0000	0.0000	0.0023	0.0400
BSC "J" BUY-OUT PRICE - Rate set monthly			0.0376				
Total	0.1533	0.0044	0.0376	0.0262	0.0001	0.0134	0.2350

SOUTH JERSEY GAS COMPANY
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<u>GENERAL SERVICE - LV FTS (GSG-LV-FT)</u> (After July 14, 1997)	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	100.0000					6.0000	106.0000
D-1 Demand Charge	6.9863					0.4192	7.4055
Delivery Charge: COST OF SERVICE	0.1533	0.0225				0.0105	0.1863
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC			0.0376	0.0000	0.0000	0.0000	0.0000
ESC "J" BS-1				0.0001	0.0023		0.0400
ESC "J" BUY-OUT PRICE - Rate set monthly							
Total	0.1533	0.0225	0.0376	0.0262	0.0001	0.0144	0.2541

GENERAL SERVICE FIRM SALES- LV (GSG-LV FSS)

Customer Charge	100.0000					6.0000	106.0000
D-1 Demand Charge	6.9863					0.4192	7.4055
Basic Gas Supply Service (BGSS):							RATE SET MONTHLY
Delivery Charge: COST OF SERVICE	0.1533	0.0225				0.0105	0.1863
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC				0.0000	0.0000	0.0000	0.0000
Total	0.1533	0.0225	0.0000	0.0262	0.0000	0.0121	0.2141

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GENERAL SERVICE AIR CONDITIONING (GSG)

AIR CONDITIONING (GSG FTS)

(Prior to July 15, 1997)

Customer Charge	17.5000						1.0500	18.5500
Delivery Charge:								
COST OF SERVICE-First 250	0.2183	0.0044					0.0134	0.2361
COST OF SERVICE-Over 250	0.2140	0.0044					0.0131	0.2315
TIC							0.0000	0.0002
SBC:								
CLEP						0.0134	0.0008	0.0142
RAC						0.0025	0.0002	0.0027
CEP						0.0027	0.0002	0.0029
USF						0.0074	0.0004	0.0078
Total SBC						0.0260	0.0016	0.0276
TAC						0.0000	0.0000	0.0000
BSC "J" BS-1						0.0376	0.0001	0.0400
BSC "J" BUY-OUT PRICE - Rate set monthly							0.0023	
Total -First 250	0.2183	0.0044				0.0262	0.0173	0.3039
Total -Over 250	0.2140	0.0044				0.0262	0.0170	0.2993

AIR CONDITIONING (GSG FTS)

(After July 14, 1997)

Customer Charge	17.5000						1.0500	18.5500
Delivery Charge:								
COST OF SERVICE-First 250	0.2183	0.0225					0.0144	0.2552
COST OF SERVICE-Over 250	0.2140	0.0225					0.0142	0.2507
TIC							0.0000	0.0002
SBC:								
CLEP						0.0134	0.0008	0.0142
RAC						0.0025	0.0002	0.0027
CEP						0.0027	0.0002	0.0029
USF						0.0074	0.0004	0.0078
Total SBC						0.0260	0.0016	0.0276
TAC						0.0000	0.0000	0.0000
BSC "J" BS-1						0.0376	0.0001	0.0400
BSC "J" BUY-OUT PRICE - Rate set monthly							0.0023	
Total -First 250	0.2183	0.0225				0.0262	0.0183	0.3230
Total -Over 250	0.2140	0.0225				0.0262	0.0181	0.3185

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AIR CONDITIONING (GSG FSS) BASE RATE TEFA BGSS OTHER RIDERS PUA NJ SALES TAX TARIFF RATE

Customer Charge

17.5000

18.5500

Basic Gas Supply Service (BGSS):

BGSS - First 250
BGSS - Over 250

0.7960
0.7478

0.0015
0.0014

0.0479
0.0450

0.8454
0.7942

Delivery Charge:

COST OF SERVICE-First 250
COST OF SERVICE-Over 250

0.0225
0.0225

0.0144
0.0142

0.2552
0.2507

TIC

SBC:

CLEP

RAC

CEP

USF

0.0002

0.0134

0.0025

0.0027

0.0074

0.0260

0.0000

0.0000

0.0000

0.0000

0.0002

0.0004

0.0016

0.0000

0.0002

0.0142

0.0027

0.0029

0.0078

0.0276

0.0000

Total SBC

TAC

Total- First 250
Total-Over 250

0.2183
0.2140

0.0000
0.0000

0.0000
0.0000

0.0160
0.0158

0.2830
0.2785

GENERAL SERVICE-LV AIR CONDITIONING (GSG)

AIR CONDITIONING (GSG-LV-FTS)

(Prior to July 15,1997)

Customer Charge

100.0000

106.0000

D-1 Demand Charge

6.9863

7.4055

Delivery Charge:

COST OF SERVICE-First 250
COST OF SERVICE-Over 250

0.0044
0.0044

0.0095
0.0092

0.1672
0.1626

TIC

SBC:

CLEP

RAC

CEP

USF

0.0002

0.0134

0.0025

0.0027

0.0074

0.0260

0.0000

0.0000

0.0000

0.0000

0.0008

0.0002

0.0004

0.0016

0.0000

0.0023

0.0002

0.0142

0.0027

0.0029

0.0078

0.0276

0.0000

0.0400

Total SBC

TAC

BSC "J" BS-1

BSC "J" BUY-OUT PRICE - Rate set monthly

Total -First 250

Total -Over 250

0.1533

0.1490

0.0044

0.0044

0.0262

0.0262

0.0001

0.0001

0.0134

0.0131

0.2350

0.2304

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<u>AIR CONDITIONING (GSG-LV FTS)</u> (After July 14, 1997)	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	100.0000					6.0000	106.0000
D-1 Demand Charge	6.9863					0.4192	7.4055
Delivery Charge:							
COST OF SERVICE-First 250	0.1533	0.0225				0.0105	0.1863
COST OF SERVICE-Over 250	0.1490	0.0225				0.0103	0.1818
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC			0.0376	0.0000	0.0000	0.0000	0.0000
BSC "J" BS-1				0.0001	0.0001	0.0023	0.0400
BSC "J" BUY-OUT PRICE - Rate set monthly							
Total -First 250	0.1533	0.0225	0.0376	0.0262	0.0001	0.0144	0.2541
Total -Over 250	0.1490	0.0225	0.0376	0.0262	0.0001	0.0142	0.2496
<u>AIR CONDITIONING (GSG-LV FSS)</u>							
Customer Charge	100.0000					6.0000	106.0000
D-1 Demand Charge	6.9863					0.4192	7.4055
Basic Gas Supply Service (BGSS):							
Delivery Charge:							
COST OF SERVICE-First 250	0.1533	0.0225				0.0105	0.1863
COST OF SERVICE-Over 250	0.1490	0.0225				0.0103	0.1818
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0260	0.0000	0.0016	0.0276
TAC				0.0000	0.0000	0.0000	0.0000
Total -First 250	0.1533	0.0225	0.0000	0.0262	0.0000	0.0121	0.2141
Total -Over 250	0.1490	0.0225	0.0000	0.0262	0.0000	0.0119	0.2096

RATE SET MONTHLY

COMPREHENSIVE FIRM TRANS SERV (CTS FTS)						
(Prior to July 15,1997)						
BASE RATE	TEFA	BGSS	OTHER RIDERS	PUA	NJ SALES TAX	TARIFF RATE
Firm						
Customer Charge	600.0000				36.0000	636.0000
Delivery Charge:						
D-1 DEMAND CHARGE	22.6286				1.3577	23.9863
C-1 FT VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.0026	0.0072			0.0006	0.0104
SBC:						
CLEP			0.0134	0.0000	0.0008	0.0142
RAC			0.0025	0.0000	0.0002	0.0027
CEP			0.0027	0.0000	0.0002	0.0029
USF			0.0074	0.0000	0.0004	0.0078
Total SBC						
Total C-1 VOLUMETRIC CHARGE	0.0026	0.0072	0.0260	0.0000	0.0016	0.0276
			0.0260	0.0000	0.0022	0.0380
BS-1 ALL THERMS						
BUY-OUT PRICE		0.0025		0.0000	0.0002	0.0027
RATE SET MONTHLY						
Limited Firm						
Customer Charge	100.0000				6.0000	106.0000
Delivery Charge:						
C-1 FT VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.0293	0.0026			0.0019	0.0338
SBC:						
CLEP			0.0134	0.0000	0.0008	0.0142
RAC			0.0025	0.0000	0.0002	0.0027
CEP			0.0027	0.0000	0.0002	0.0029
USF			0.0074	0.0000	0.0004	0.0078
Total SBC						
Total C-1 VOLUMETRIC CHARGE	0.0293	0.0026	0.0260	0.0000	0.0016	0.0276
			0.0260	0.0000	0.0035	0.0614
BS-1 ALL THERMS						
BUY-OUT PRICE		0.0025		0.0000	0.0002	0.0027
RATE SET MONTHLY						

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<u>COMPREHENSIVE FIRM TRANS SERV (CTS FTS)</u> (After July 14, 1997)	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>Firm</u> Customer Charge	600.0000					36.0000	636.0000
<u>Delivery Charge:</u> D-1 DEMAND CHARGE	22.6286					1.3577	23.9863
C-1 FT VOLUMETRIC CHARGE: C-1 COST OF SERVICE SBC: CLEP RAC CEP USF	0.0026	0.0225		0.0134 0.0025 0.0027 0.0074 0.0260 0.0260	0.0000 0.0000 0.0000 0.0000 0.0000 0.0000	0.0015 0.0008 0.0002 0.0002 0.0004 0.0016 0.0031	0.0266 0.0142 0.0027 0.0029 0.0078 0.0276 0.0542
Total C-1 VOLUMETRIC CHARGE	0.0026	0.0225		0.0260	0.0000	0.0031	0.0542
BS-1 ALL THERMS BUY-OUT PRICE			0.0025		0.0000	0.0002	0.0027 RATE SET MONTHLY
<u>Limited Firm</u> Customer Charge	100.0000					6.0000	106.0000
<u>Delivery Charge:</u> C-1 FT VOLUMETRIC CHARGE: C-1 COST OF SERVICE SBC: CLEP RAC CEP USF	0.0293	0.0225		0.0134 0.0025 0.0027 0.0074 0.0260 0.0260	0.0000 0.0000 0.0000 0.0000 0.0000 0.0000	0.0031 0.0008 0.0002 0.0002 0.0004 0.0016 0.0047	0.0549 0.0142 0.0027 0.0029 0.0078 0.0276 0.0825
Total C-1 VOLUMETRIC CHARGE	0.0293	0.0225		0.0260	0.0000	0.0047	0.0825
BS-1 ALL THERMS BUY-OUT PRICE			0.0025		0.0000	0.0002	0.0027 RATE SET MONTHLY

LARGE VOLUME SERVICE (LVS)

LARGE VOLUME FIRM TRANS SERV (LVS FTS) <small>(Prior to July 15, 1997)</small>	BASE RATE	TEFA	BGSS	OTHER RIDERS	PUA	NJ SALES TAX	TARIFF RATE
Customer Charge	600.0000					36.0000	636.0000
Delivery Charge: D-1 DEMAND CHARGE	10.7096					0.6426	11.3522
C-1 VOLUMETRIC CHARGE: C-1 COST OF SERVICE SBC:	0.0025	0.0044				0.0004	0.0073
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
USF				0.0074	0.0000	0.0004	0.0078
Total SBC				0.0233	0.0000	0.0014	0.0247
Total C-1 VOLUMETRIC CHARGE	0.0025	0.0044		0.0233	0.0000	0.0018	0.0320
BS-1 ALL THERMS			0.0025		0.0000	0.0002	0.0027
BSC *1" CASH OUT CHARGE/(CREDIT)							RATE SET MONTHLY

LARGE VOLUME FIRM TRANSERV (LVS FTS)
(After July 14, 1997)

Customer Charge	600.0000	36.0000	636.0000
Delivery Charge:			
D-1 DEMAND CHARGE	10.7096	0.6426	11.3522
C-1 VOLUMETRIC CHARGE:			
C-1 COST OF SERVICE	0.0025	0.0015	0.0272
SBC:			
CLEP		0.0134	0.0008
RAC		0.0025	0.0027
USF		0.0074	0.0004
Total SBC		0.0233	0.0014
Total C-1 VOLUMETRIC CHARGE	0.0025	0.0232	0.0029
BS-1 ALL THERMS			
BS-1" CASH OUT CHARGE/(CREDIT)		0.0025	0.0027
			RATE SET MONTHLY

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<u>LARGE VOLUME FIRM SALES SERV (LVS FSS)</u>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	600.0000					36.0000	636.0000
Basic Gas Supply Service (BGSS):							
C-2 BGSS			16.4440		0.0312	0.9885	17.4637
D-2 DEMAND CHARGE							
Delivery Charge:							
D-1 DEMAND CHARGE	10.7096					0.6426	11.3522
C-1 VOLUMETRIC CHARGE:							
C-1 COST OF SERVICE	0.0025	0.0232				0.0015	0.0272
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
USF				0.0074	0.0000	0.0004	0.0078
Total SBC		0.0232	0.0000	0.0233	0.0000	0.0014	0.0247
Total C-1 VOLUMETRIC CHARGE	0.0025	0.0232	0.0000	0.0233	0.0000	0.0029	0.0519

RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE (EGS)</u>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	25.0000					1.5000	26.5000
D-1 DEMAND	5.1750					0.3105	5.4855
Basic Gas Supply Service (BGSS):							RATE SET MONTHLY
Delivery Charge - Winter Season (Nov - Mar)							
COST OF SERVICE	0.0843					0.0051	0.0894
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
USF				0.0260	0.0000	0.0016	0.0276
Total SBC							
Total C-1 VOLUMETRIC CHARGE (FSS)	0.0843		0.0000	0.0260	0.0000	0.0057	0.1170
Balancing Charge BSC"J" BS-1			0.0376		0.0001	0.0023	0.0400
Total C-1 VOLUMETRIC CHARGE (FTS)	0.0843		0.0376	0.0260	0.0001	0.0090	0.1570
Delivery Charge - Summer Season (Apr - Oct)							
COST OF SERVICE	0.0543					0.0033	0.0576
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
USF				0.0260	0.0000	0.0016	0.0276
Total SBC							
Total C-1 VOLUMETRIC CHARGE (FSS)	0.0543		0.0000	0.0260	0.0000	0.0049	0.0852
Balancing Charge BSC"J" BS-1			0.0376		0.0001	0.0023	0.0400
Total C-1 VOLUMETRIC CHARGE (FTS)	0.0543		0.0376	0.0260	0.0001	0.0072	0.1252

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>Firm</u>							
D-1 DEMAND (Rate is negotiated. Shown here is the benchmark rate.)	13.4510					0.8071	14.2581
D-2 DEMAND BGSS(applicable to Sales Customers Only)			29.7560		0.0565	1.7888	31.6013
C-1 CLEP				0.0134	0.0000	0.0008	0.0142
C-1 RAC				0.0025	0.0000	0.0002	0.0027
C-1 USF				0.0074	0.0000	0.0004	0.0078
Total C-1 VOLUMETRIC CHARGE				0.0233	0.0000	0.0014	0.0247
C-2 BGSS							RATE SET MONTHLY
BSC "" CASH OUT CHARGE (CREDIT)			0.0025		0.0000	0.0002	RATE SET MONTHLY
BS-1 ALL THERMS							0.0027
<u>Limited Firm</u>							
D-2 DEMAND BGSS(applicable to Sales Customers Only)			8.2220		0.0156	0.4943	8.7319
C-1 CLEP				0.0134	0.0000	0.0008	0.0142
C-1 RAC				0.0025	0.0000	0.0002	0.0027
C-1 USF				0.0074	0.0000	0.0004	0.0078
Total C-1 VOLUMETRIC CHARGE				0.0233	0.0000	0.0014	0.0247
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)	0.1338					0.0080	0.1418
C-2 BGSS							RATE SET MONTHLY
BSC "" CASH OUT CHARGE (CREDIT)			0.0025		0.0000	0.0002	RATE SET MONTHLY
BS-1 ALL THERMS							0.0027

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INTERRUPTIBLE SERVICE, YARD & STREET LIGHTING

	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>							
SERVICE CHARGE	100.0000					6.0000	106.0000
TRANS CHARGE A	0.0284	0.0026				0.0019	0.0329
SBC:							
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC:				0.0260	0.0000	0.0016	0.0276
<u>TRANS CHARGE B</u>							
SBC:	0.0932	0.0026				0.0057	0.1015
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC:				0.0260	0.0000	0.0016	0.0276
<u>TRANS CHARGE C</u>							
SBC:	0.1532	0.0026				0.0093	0.1651
CLEP				0.0134	0.0000	0.0008	0.0142
RAC				0.0025	0.0000	0.0002	0.0027
CEP				0.0027	0.0000	0.0002	0.0029
USF				0.0074	0.0000	0.0004	0.0078
Total SBC:				0.0260	0.0000	0.0016	0.0276

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<u>INTERRUPTIBLE GAS SALES (IGS)</u>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Commodity		0.0125					Rate Set Monthly
SBC:				0.0025	0.0000	0.0002	0.0027
RAC				0.0074	0.0000	0.0004	0.0078
USF				0.0099	0.0000	0.0006	0.0105
Total SBC:							
<u>YARD LIGHTING SERVICE (YLS)</u>							
MONTHLY CHARGE / INSTALL	5.2790	0.4202	4.6368			0.6202	10.9562
<u>STREET LIGHTING SERVICE (SLS)</u>							
MONTHLY CHARGE / INSTALL	5.6908	0.6303	6.9552			0.7966	14.0729

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Rates Effective

07/07/04

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Residential Rate Schedule:

	<u>Prior to 7/15/97</u>			<u>After 7/14/97</u>		
	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.8454	0.0000	0.8454	0.8454	0.0000	0.8454
Cost of Service	0.3461	0.3079	0.0382	0.3461	0.3461	0.0000
CLEP	0.0142	0.0142	0.0000	0.0142	0.0142	0.0000
RAC	0.0027	0.0027	0.0000	0.0027	0.0027	0.0000
TAC	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
USF	0.0078	0.0078	0.0000	0.0078	0.0078	0.0000
TIC	0.0002	0.0002	0.0000	0.0002	0.0002	0.0000
CEP	0.0029	0.0029	0.0000	0.0029	0.0029	0.0000
BSC "J" BS-1	0.0000	0.0400	(0.0400)	0.0000	0.0400	(0.0400)
Price to Compare	1.2193	0.3757	0.8436	1.2193	0.4139	0.8054

GSG

	<u>Prior to 7/15/97</u>			<u>After 7/14/97</u>		
	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.8454	0.0000	0.8454	0.8454	0.0000	0.8454
Cost of Service	0.2552	0.2361	0.0191	0.2552	0.2552	0.0000
CLEP	0.0142	0.0142	0.0000	0.0142	0.0142	0.0000
RAC	0.0027	0.0027	0.0000	0.0027	0.0027	0.0000
TAC	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
USF	0.0078	0.0078	0.0000	0.0078	0.0078	0.0000
TIC	0.0002	0.0002	0.0000	0.0002	0.0002	0.0000
CEP	0.0029	0.0029	0.0000	0.0029	0.0029	0.0000
BSC "J" BS-1	0.0000	0.0400	(0.0400)	0.0000	0.0400	(0.0400)
Price to Compare	1.1284	0.3039	0.8245	1.1284	0.3230	0.8054

GSG-LV

	<u>Prior to 7/15/97</u>			<u>After 7/14/97</u>		
	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.9500	0.0000	0.9500	0.9500	0.0000	0.9500
Cost of Service	0.1863	0.1672	0.0191	0.1863	0.1863	0.0000
CLEP	0.0142	0.0142	0.0000	0.0142	0.0142	0.0000
RAC	0.0027	0.0027	0.0000	0.0027	0.0027	0.0000
TAC	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
USF	0.0078	0.0078	0.0000	0.0078	0.0078	0.0000
TIC	0.0002	0.0002	0.0000	0.0002	0.0002	0.0000
CEP	0.0029	0.0029	0.0000	0.0029	0.0029	0.0000
BSC "J" BS-1	0.0000	0.0400	(0.0400)	0.0000	0.0400	(0.0400)
Price to Compare	1.1641	0.2350	0.9291	1.1641	0.2541	0.9100

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 1

APPLIANCE REPAIR SERVICE (ARS)

APPLICABLE TO USE OF SERVICE FOR:

Service pursuant to this Rate Schedule ARS, shall be available to all persons or other entities.

CHARACTER OF SERVICE:

Repair and servicing of appliances.

FLOOR RATES:

Competitive Services:

Standard Rates: \$85.36 per hour (minimum charge - \$28.45)
Non-Standard Rates: \$128.04 per hour (minimum charge - \$42.68)

Non-Competitive Services:

Standard Rates: \$83.00 per hour (minimum charge - \$28.00)
Non-Standard Rates: \$124.50 per hour (minimum charge - \$42.00)

PRICES:

Competitive Services:

Standard Rates: \$124.95 per hour (minimum charge - \$59.00)
Non-Standard Rates: \$187.43 per hour (minimum charge - \$88.50)

Non-Competitive Services:

Standard Rates: \$83.00 per hour (minimum charge - \$28.00)
Non-Standard Rates: \$124.50 per hour (minimum charge - \$42.00)

FIXED CHARGE SERVICES:

From time to time, the Company may, in its sole discretion, offer certain services at a fixed charge, utilizing the appropriate hourly rate, subject to the Competitive Services floor rates, above, multiplied by the following times:

	<u>Floor Rate</u>	<u>Price</u>
Range Connector Change-Out - 40 minutes		
Standard Rate:	\$ 56.91	\$ 83.30
Non-Standard Rate:	\$ 85.35	\$ 124.95
Tune-Up, Air Conditioner, Electric - 45 minutes		
Standard Rate:	\$ 64.02	\$ 93.71
Non-Standard Rate:	\$ 96.03	\$ 140.57

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
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Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 2

APPLIANCE REPAIR SERVICE (ARS) (continued)

	<u>Floor Rate</u>	<u>Price</u>
Tune-Up, Gas Grill - 45 minutes		
Standard Rate:	\$ 64.02	\$ 93.71
Non-Standard Rate:	\$ 96.03	\$140.57
 Tune-Up, Gas Light - 30 minutes		
Standard Rate:	\$ 42.68	\$ 62.48
Non-Standard Rate:	\$ 64.02	\$ 93.72
 Tune-Up, Pool Heater - 90 minutes		
Standard Rate:	\$128.04	\$187.43
Non-Standard Rate:	\$192.06	\$281.15

SALES AND USE TAX:

All charges pursuant to this Rate Schedule ARS shall be adjusted to reflect appropriate New Jersey Sales and Use Taxes.

FREE SERVICES:

Upon a customer's request, the Company will provide, without charge, certain services designated as Free Services, as set forth in Special Provision (d).

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided, however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. Service to State, county or municipal government entities will not be subject to a late payment charge.

LIMITS OF COVERAGE:

All equipment must be manufactured, installed and maintained in accordance with the National Fuel Gas Code; certified by the American Gas Association, the Underwriters Laboratories or similar natural gas industry trade organizations; installed in accordance with local, state, and federal law; and satisfy both manufacturer's and the Company's requirements for safe and proper installation. Our response time shall be determined by scheduling priorities that consider public safety, health and welfare, existing work loads, nature or science, and prevailing weather conditions.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 3

APPLIANCE REPAIR SERVICE (ARS)
(continued)

SPECIAL PROVISIONS:

- (a) The Non-Standard Rates will be charged on weekends, holidays and other than normal working hours (8:00 a.m. to 4:30 p.m.). The Standard Rates will be charged at all other times.
- (b) The following list shall constitute Competitive Services:

- Adjusted
- Adjusted Belt
- Adjusted Control
- Adjusted Door
- Adjusted Hardware
- Adjusted Gas Input
- Adjusted Panel
- Calibrated Control
- Cleaned
- Cleaned Combustion Passages
- Cleaned Dust
- Cleaned Grease
- Cleaned Lint
- Cleaned Rust
- Converted
- Diagnosed Service Requirement
- Disconnected
- Inspected
- Installed your Part
- Leveled
- Light-up House Heater Pilot from Sept. 1 to Oct. 31
- Lubricated
- Miscellaneous Material @ \$1.00
- Purged Refrigerant
- Range Connector Change-Out
- Reconnected
- Rental of Our Equipment @ \$10.00 first 10 days
- Daily Equipment Rental @ \$2.00
- Repair of Your Equipment
- Reset Control
- Seasonal Start-up
- Seasonal Shutdown
- Serviced Water Tower
- Tune-Up, Air Conditioner, Electric
- Tune-Up, Gas Grill
- Tune-Up, Gas Light

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 4

APPLIANCE REPAIR SERVICE (ARS)

(continued)

Tune-Up, Pool Heater
Vacuumed
Clean & Adjust Pilot
Parts Delivery Charge

- (c) The following list shall constitute Non-Competitive Services:

Changed Location of Facilities
Changed Location of Meter
Changed Location of Service
Installed Remote Meter Device

- (d) The following list shall constitute Free Services:

1. Investigate appliance flashbacks.
2. Inspecting new appliance and/or installation.
3. Meter changes.
4. Advisory service to assure safe operation of gas appliances.
5. Turning on or turning off gas heaters when work is performed in conjunction with meter set orders, turn on order or turn off orders.
6. Instructing customers in the proper use, operation and maintenance of appliances. Instructing heating customers in the procedure of turning on house heater.
7. Any call made to place an appliance in a safe condition. A safe condition will result if a valve is shut off and/or the appliance is disconnected.
8. Investigating gas leaks and odors.
9. Meter turn offs.
10. New equipment startup.
11. Preliminary investigation for appliance installation.
12. Reported no gas or poor pressure.
13. Gas leak repairs at meter and upstream piping.
14. A service order which is canceled before the service person arrives or if it is canceled by the Company.
15. Carbon monoxide services.
16. Pilot light up services from November 1 through August 31 of each year.

- (e) The Company may not charge less than the Floor Rates set forth in the Floor Rates section of this Rate Schedule ARS, plus New Jersey Sales and Use Taxes.

- (f) The charges set forth in this Rate Schedule ARS are for labor only, and not for appliance repair parts. Repair parts associated with services under this Rate Schedule ARS shall not be priced below cost to the Company.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 5

APPLIANCE REPAIR SERVICE - SERVICE SENTRY (ARS-SS)

APPLICABLE TO USE OF SERVICE FOR:

Service pursuant to this Rate Schedule ARS-SS, shall be available to all residents who enter into a Service Sentry agreement.

CHARACTER OF SERVICE:

Contract repair service.

FLOOR RATES AND PRICES:

<u>Service Sentry Plan</u>	<u>Floor Rate</u>	<u>Price</u>
Natural gas, electric or propane water heater	\$ 9.23	\$ 22.80
Natural gas house heater	\$ 41.03	\$ 72.00
Electric central air conditioner	\$ 42.89	\$114.00
Natural gas range	\$ 20.89	\$ 45.00
Natural gas dryer	\$ 15.15	\$ 39.00
Pipe Care (Piping and necessary fittings)	\$ 6.20	\$ 16.98

SALES AND USE TAX:

All charges pursuant to this Rate Schedule ARS-SS shall be adjusted to reflect appropriate New Jersey Sales and Use Taxes.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided, however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 6

APPLIANCE REPAIR SERVICE - SERVICE SENTRY (ARS-SS) (continued)

LIMITS OF COVERAGE:

All equipment must be manufactured, installed and maintained in accordance with the National Fuel Gas Code; certified by the American Gas Association, the Underwriters Laboratories or similar natural gas industry trade organizations; installed in accordance with local, state, and federal law; and satisfy both the manufacturer's and the Company's requirements for safe and proper installation. Our response time shall be determined by scheduling priorities that consider public safety, health and welfare, existing work loads, nature of service, and prevailing weather conditions.

PIPE CARE

General Coverage

The Company provides enrollees in the Pipe Care Plan with one full year of no-cost service which includes labor and replacement of associated material to internal, exposed piping up to and including two inches in diameter.

SPECIAL PROVISIONS:

- (a) All Service Sentry Plans, with the exception of Pipe Care, will be offered to senior citizens at a 10% - 20% discount from the price shown ("Senior Citizen Discount"). Senior Citizens enrolling in the Service Sentry Plan and covering three (3) or more appliances, will receive the Senior Citizen Discount based on the price calculated after the discount applicable to enrollment for three (3) or more appliances.
- (b) All customers will receive a 10% discount from the price shown above when enrolling in the Service Sentry Plan, and making such Service Sentry Plan applicable to three (3) or more appliances. Provided, however, that Pipe Care shall not be an eligible appliance for determination of this discount, and will not be counted as one of the three (3) or more appliances discussed. Furthermore, from time to time, the Company may offer new customers the option to enroll in the Service Sentry Plan at no charge, for the first year of coverage under the Service Sentry Plan.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 7

APPLIANCE REPAIR SERVICE - FLAT RATE (ARS-FR)

APPLICABLE TO USE OF SERVICE FOR:

Service pursuant to this Rate Schedule ARS, shall be available to all residents. If Flat Rate pricing is available under this Rate Schedule ARS-FR, service shall not be available pursuant to Rate Schedule ARS.

CHARACTER OF SERVICE:

Repairing and servicing of appliances at flat rates.

FLOOR RATES AND PRICES:

Each Column "A" below is applicable to the installation of only one Part. Each Column "B" below, is applicable to the installation of Parts incremental to the first part installed, when multiple parts are installed for the same appliance.

Normal Business Hours:

<u>PART DESCRIPTION</u>	<u>FLOOR RATE</u>		<u>FLAT PRICE</u>	
	<u>A</u>	<u>B</u>	<u>A</u>	<u>B</u>
PILOT BURNER, W/GEN	\$139.18	\$96.50	\$202.00	\$139.00
PILOT CARTRIDGE, 32" (PG-9)	\$134.77	\$92.09	\$196.00	\$133.00
PILOT CARTRIDGE, HW 32" (Q313A-1188)	\$132.31	\$82.52	\$192.00	\$120.00
REGULATOR, APPL - 1/2"	\$107.54	\$71.97	\$157.00	\$105.00
REGULATOR, APPL - 3/4"	\$107.76	\$72.19	\$157.00	\$105.00
THERMOCOUPLE, 24" JOHNSON (88 K15DS)	\$74.72	\$46.26	\$109.00	\$68.00
THERMOCOUPLE, 36" (A1970-036)	\$68.53	\$47.19	\$100.00	\$69.00
THERMOCOUPLE, HW - 36" (Q340A-1090)	\$69.52	\$48.18	\$102.00	\$70.00
THERMOCOUPLE, HW 48" (Q340A-1108)	\$77.42	\$48.96	\$113.00	\$71.00
THERMOCOUPLE, JOHNSON 36" (88D K15DS)	\$68.14	\$46.80	\$100.00	\$68.00
THERMOCOUPLE, PENN BASO (K16BT-36)	\$74.96	\$53.62	\$109.00	\$78.00
THERMOCOUPLE, RS 36" (1980-036)	\$67.36	\$46.02	\$98.00	\$67.00
BEARING, GE	\$108.96	\$87.62	\$159.00	\$128.00
BELT-DRYER,GE (WE1236P)	\$84.20	\$55.74	\$123.00	\$81.00
BELT-DRYER, GE (WE12X42)	\$83.64	\$55.18	\$122.00	\$81.00
BELT-DRYER GE (WE12X49P)	\$84.20	\$55.74	\$123.00	\$81.00
BELT-DRYER, GE (WE12X82P)	\$84.20	\$55.74	\$123.00	\$81.00
BELT-DRYER, WHIRLPOOL (341241)	\$84.54	\$56.08	\$123.00	\$82.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 8

BELT-DRYER, WHIRLPOOL (349533)	\$82.99	\$54.53	\$121.00	\$80.00
BELT-DRYER, WHIRLPOOL(337388)	\$83.07	\$54.61	\$121.00	\$80.00
BELT-DRYER, WHIRLPOOL(337019)	\$83.11	\$54.65	\$121.00	\$80.00
BELT-DRYER, MAYTAG (311012)	\$82.55	\$54.09	\$121.00	\$79.00
BELT-DRYER, MAYTAG (311013)	\$82.92	\$54.46	\$121.00	\$80.00
BELT-DRYER, MAYTAG (312512)	\$82.92	\$54.46	\$121.00	\$80.00
BELT-DRYER, MAYTAG (312544)	\$82.92	\$54.46	\$121.00	\$80.00
BELT-DRYER, MAYTAG (312959)	\$83.88	\$55.42	\$123.00	\$81.00
BRACKET AND INSULATOR - WP 279185	\$77.81	\$56.47	\$113.00	\$82.00
COIL, SOLENOID ASSEMBLY KIT FSP/WP 279137	\$113.91	\$85.46	\$165.00	\$124.00
COIL, SOLENOID ASSEMBLY KIT GE WE4X461	\$128.51	\$100.06	\$186.00	\$144.00
COIL, SOLENOID - PILOT GE WE4X342	\$116.55	\$88.10	\$169.00	\$127.00
COIL, SOLENOID - MAIN GE WE4X338	\$108.05	\$79.60	\$157.00	\$115.00
COIL SOLENOID - WR BOOSTER/HOLDING F91-3890	\$94.85	\$66.40	\$138.00	\$97.00
COIL SOLENOID - WE SECONDARY F91-3889	\$94.85	\$66.40	\$138.00	\$97.00
DOOR CATCH/STRIKER WP279570	\$37.72	\$30.60	\$55.00	\$45.00
DOOR CATCH/STRIKER MAYTAG 306436	\$39.15	\$32.03	\$57.00	\$47.00
DOOR SWITCH WP/KEN 279347	\$77.43	\$48.97	\$113.00	\$71.00
DOOR SWITCH GE WEX197	\$78.22	\$49.76	\$114.00	\$73.00
DOOR SWITCH MAYTAG 302455	\$86.33	\$57.87	\$126.00	\$84.00
DRYER KIT WP 4392065 BELT, IDLER PULLEY, 'SUPPORT ROLLERS (2)	\$122.26	\$100.92	\$178.00	\$147.00
IGNITOR, CARBORUNDUM, FLAT, RAM Z716	\$73.49	\$52.15	\$107.00	\$76.00
IGNITOR, CARBORUNDUM, ROUND RAM Z711	\$73.49	\$52.15	\$107.00	\$76.00
IDLER PULLEY - WP - 691366	\$55.68	\$34.34	\$81.00	\$50.00
IDLER PULLEY - GE - WE12X81	\$55.25	\$33.91	\$81.00	\$49.00
IDLER PULLEY - MAYTAG - 303705	\$56.94	\$35.60	\$83.00	\$52.00
IMPELLER WP - 279711	\$114.73	\$93.39	\$168.00	\$136.00
IMPELLER MAYTAG 303836	\$116.29	\$94.95	\$170.00	\$139.00
MOTOR WP - 695925	\$157.70	\$136.36	\$228.00	\$197.00
MOTOR GE - WE17X32	\$166.62	\$145.28	\$241.00	\$210.00
MOTOR MAYTAG - 302278	\$202.16	\$180.82	\$281.00	\$250.00
MOTOR MAYTAG - 303358	\$202.16	\$180.82	\$281.00	\$250.00
ROLLER ASSY MAYTAG - 303373	\$100.24	\$71.79	\$146.00	\$104.00
ROLLER ASSY WP - 349241(ORDER 2 - SAME PRICE)	\$97.24	\$68.79	\$142.00	\$100.00
SENSOR/FLAME GEMLINE DE355/GEWE4X448	\$77.17	\$55.83	\$112.00	\$81.00
SENSOR/FLAME GEMLINE DE353/WP 338906	\$75.36	\$54.02	\$110.00	\$79.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 9

AQUASTAT - L8148J 1009 24VAC OR MILLIVOLT	\$229.74	\$201.29	\$321.00	\$279.00
AQUASTAT - L8124B-1039	\$253.85	\$225.40	\$329.00	\$287.00
AQUASTAT, TRIPLE L8124E-1016	\$288.32	\$259.86	\$377.00	\$336.00
BELT, V - 1/2 X 34	\$60.74	\$32.29	\$89.00	\$47.00
BELT, V - 1/2 X 35	\$60.34	\$31.89	\$88.00	\$47.00
BELT, V - 1/2 X 36	\$59.74	\$31.28	\$87.00	\$46.00
BELT, V - 1/2 X 37	\$60.47	\$32.01	\$88.00	\$47.00
BELT, V - 1/2 X 38	\$59.96	\$31.50	\$88.00	\$46.00
BELT, V - 1/2 X 39	\$60.27	\$31.82	\$88.00	\$46.00
BELT, V - 1/2 X 40	\$60.44	\$31.99	\$88.00	\$47.00
BELT, V - 1/2 X 41	\$60.09	\$31.64	\$88.00	\$46.00
BELT, V - 1/2 X 42	\$61.35	\$32.90	\$90.00	\$48.00
BELT, V - 1/2 X 43	\$60.45	\$32.00	\$88.00	\$47.00
BELT, V - 1/2 X 46	\$68.27	\$32.71	\$100.00	\$48.00
BRACKET, MOTOR MOUNT	\$80.53	\$59.19	\$117.00	\$86.00
BURNER, PILOT - HW (Q314A)	\$86.10	\$57.64	\$125.00	\$84.00
BURNER, PILOT - HW (Q327A)	\$89.03	\$60.57	\$129.00	\$88.00
BURNER, PILOT JOHNSON J-994FLW (UTICA)	\$110.67	\$82.21	\$160.00	\$118.00
CAMSTAT, 3" (F-214-12A-140-25C-3)	\$118.58	\$90.13	\$172.00	\$130.00
CAMSTAT, 3" (F47-3TD-120-25C)	\$116.58	\$88.13	\$169.00	\$128.00
CAMSTAT, 3" (L59-3B-A)	\$108.10	\$79.65	\$157.00	\$116.00
CAMSTAT, 7" (F-214-13A-140-25C-7)	\$124.73	\$96.28	\$181.00	\$139.00
CAMSTAT, 7" (F47-7TD-120-25C)	\$117.72	\$89.27	\$171.00	\$129.00
CAMSTST, 7" (L59-7B-A)	\$109.44	\$80.99	\$159.00	\$117.00
CAPACITOR, MTR - 10MFD, 370V	\$72.29	\$43.84	\$105.00	\$64.00
CAPACITOR, MTR - 4MFD, 370V	\$63.46	\$42.12	\$93.00	\$61.00
CAPACITOR, MTR - 5MFD, 370V	\$61.70	\$40.36	\$90.00	\$59.00
CIRCUIT BOARD, 47-22445-01 RUDD/UNIVERSAL	\$203.88	\$175.42	\$285.00	\$243.00
CIRCUIT BOARD, B18099-13 GOODMAN	\$188.62	\$160.16	\$265.00	\$223.00
CIRCUIT BOARD, CARRIER CESO11048	\$223.49	\$195.04	\$311.00	\$269.00
CIRCUIT BOARD, CARRIER 350 MAX	\$194.11	\$165.65	\$272.00	\$230.00
CIRCUIT BOARD, CARRIER HH84AA020/CESO110018	\$158.72	\$130.27	\$230.00	\$188.00
CIRCUIT BOARD, CARRIER HH84AA021	\$176.85	\$148.39	\$248.00	\$207.00
CIRCULATOR, TACO/BELL & GOSSETT	\$181.18	\$152.73	\$263.00	\$221.00
CIRCULATOR CARTRIDGE, TACO 007-042RP	\$178.18	\$149.73	\$258.00	\$217.00
CIRCULATOR, B & G 1/12 H.P.	\$282.20	\$253.75	\$361.00	\$319.00
CIRCULATOR, B & G RED FOX	\$186.47	\$158.02	\$270.00	\$229.00

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SOUTH JERSEY GAS COMPANY

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Appendix B - Original Sheet No. 10

COUPLER 5W340 TACO RM883	\$76.76	\$55.42	\$112.00	\$81.00
COUPLER 1W100 SPIRALINK 10010	\$71.36	\$50.02	\$104.00	\$73.00
COUPLING KIT, CIRC/ MOTOR B&G SPRING 118705	\$68.47	\$47.13	\$100.00	\$69.00
COUPLER ASSY B&G 189110	\$70.87	\$49.53	\$103.00	\$72.00
CUMBUSTION FAN/MTR ASSY	\$181.53	\$167.31	\$253.00	\$233.00
FAN & LIMIT, HW - 1 1/2"	\$151.12	\$122.67	\$211.00	\$170.00
FAN & LIMIT, HW - 4.5 OR 5"	\$125.24	\$96.79	\$181.00	\$140.00
FAN & LIMIT, HW - 11"	\$128.88	\$107.54	\$186.00	\$155.00
FAN & LIMIT, HW - 11"	\$117.93	\$96.59	\$171.00	\$140.00
FAN & LIMIT, HW - 5"	\$134.99	\$113.65	\$195.00	\$164.00
FAN & LIMIT, HW - 8"	\$128.88	\$107.54	\$186.00	\$155.00
FAN & LIMIT, HW - 8"	\$110.63	\$89.29	\$160.00	\$129.00
FAN/LIMIT, 3" (FAL3C-05TD-120-250-3)	\$114.29	\$100.06	\$165.00	\$144.00
FAN/LIMIT, 7" (FAL7C-06TD-120-250-7)	\$116.73	\$102.50	\$169.00	\$148.00
FAN/LIMIT, 7"T/S FALTS57C-05T-120-250	\$112.16	\$97.93	\$162.00	\$141.00
FLAME SENSOR, WR (3049-18)	\$146.33	\$117.88	\$205.00	\$163.00
FLAME SENSOR, WR (3049-5)	\$148.16	\$119.71	\$207.00	\$166.00
FUSIBLE LINK, 109C	\$67.63	\$39.18	\$98.00	\$57.00
FUSIBLE LINK, 121C	\$65.32	\$36.87	\$95.00	\$54.00
FUSIBLE LINK, 125C	\$65.19	\$36.73	\$95.00	\$53.00
FUSIBLE LINK, 130C	\$65.13	\$36.67	\$95.00	\$53.00
FUSIBLE LINK, 141C	\$65.32	\$36.86	\$95.00	\$54.00
FUSIBLE LINK, 149C	\$62.66	\$34.21	\$91.00	\$50.00
FUSIBLE LINK, 216C	\$68.79	\$40.33	\$100.00	\$58.00
FUSIBLE LINK, 216C	\$68.31	\$39.86	\$99.00	\$58.00
FUSIBLE LINK, 228C	\$76.71	\$48.25	\$111.00	\$70.00
FUSIBLE LINK, 152C	\$72.71	\$37.14	\$106.00	\$54.00
IGNITOR, HSI, IG101 GEM	\$104.01	\$75.56	\$151.00	\$110.00
IGNITOR HSI / 41-406	\$100.51	\$79.17	\$146.00	\$115.00
IGNITOR, HSI / 41-401	\$112.93	\$77.36	\$164.00	\$112.00
IGNITOR, HSI / 41-402	\$105.33	\$76.88	\$153.00	\$112.00
IGNITOR, HSI / 41-403	\$101.93	\$73.48	\$148.00	\$107.00
IGNITOR, HSI / 41-403	\$105.33	\$76.88	\$153.00	\$112.00
IGNITOR, HSI / 41-405	\$107.60	\$79.15	\$156.00	\$115.00
IGNITOR, HSI / 41-407	\$105.33	\$76.88	\$153.00	\$112.00
IGNITOR, HSI / 41-408	\$105.33	\$76.88	\$153.00	\$112.00
IGNITOR, HSI / 41-409	\$98.22	\$76.88	\$143.00	\$112.00

**Issued August 29, 2003
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E. Graham, President**

**Effective with service rendered
on and after July 1, 2004**

**Filed pursuant to Order in Docket No. GR03080683 of the Board of
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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 11

IGNITOR, HSI / 41-412	\$99.77	\$71.32	\$145.00	\$104.00
IGNITOR, HSI / ARCOAIRE	\$121.42	\$78.74	\$177.00	\$114.00
IGNITOR, SMART VALVE Q3400A1024 HONEYWELL	\$125.87	\$97.42	\$182.00	\$141.00
INDUCER BOARD (CARRIER/BRYANT)	\$152.42	\$116.85	\$220.00	\$168.00
INDUCER, ASSY WEIL MC LAIN	\$257.72	\$222.15	\$321.00	\$269.00
JUNCTION BLOCK (Y99AN-1)	\$85.54	\$71.31	\$125.00	\$104.00
LIMIT CONTROL, CARRIER (HHI2ZA251)	\$92.66	\$64.21	\$135.00	\$94.00
LIMIT CONTROL, DISK (HH18HA195A)	\$84.33	\$62.99	\$123.00	\$92.00
LIMIT CONTROL, DISK (HH18HA-291)	\$77.63	\$63.40	\$113.00	\$93.00
MODULE, CONTROL COLEMAN	\$188.13	\$166.79	\$263.00	\$232.00
MODULE, CONTROL 50A50-113 WHITE RODERS	\$185.68	\$164.34	\$260.00	\$229.00
MODULE, CONTROL 47-22827-83 UNIVERSAL	\$145.16	\$123.82	\$211.00	\$179.00
MODULE, FENWAL - UNILINE 05-329003-053	\$180.84	\$159.50	\$253.00	\$222.00
MODULE, HOT SURFACE IGN	\$197.80	\$176.46	\$276.00	\$245.00
MODULE, INTERMITTENT PILOT	\$191.73	\$170.39	\$268.00	\$237.00
MOTOR, 1/6 DD 1050 RPM	\$205.96	\$177.51	\$290.00	\$248.00
MOTOR, 1725RPM - 1/3 HP	\$184.96	\$156.51	\$268.00	\$226.00
MOTOR, CIRCULATOR - B&G	\$222.89	\$201.55	\$280.00	\$248.00
MOTOR, INDUCER ASSY CARRIER 310371-752	\$198.25	\$169.79	\$274.00	\$233.00
MOTOR, INDUCER ASSY CARRIER 309868-753	\$256.08	\$227.63	\$327.00	\$285.00
MOTOR, INDUCER 026-32250-000 INTER CITY	\$281.32	\$259.98	\$353.00	\$321.00
MOTOR, INDUCER ASSY WEIL MC LAIN 510-312-317	\$304.03	\$282.69	\$378.00	\$347.00
MOTOR, INDUCER ASSY YORK 326-32067-0000	\$188.18	\$166.84	\$263.00	\$232.00
MOTOR, MULTI-SPEED - 1/3 HP	\$186.83	\$158.37	\$271.00	\$229.00
MOTOR, MULTI-SPEED - 3/4 HP	\$216.75	\$188.29	\$305.00	\$263.00
MOTOR, 1/2 HP DD A.O. SMITH FDL1056	\$238.48	\$210.03	\$318.00	\$276.00
PILOT ASY, BRYANT	\$129.92	\$101.47	\$188.00	\$146.00
PILOT ASY, BRYANT - H	\$338.40	\$309.95	\$414.00	\$373.00
PILOT ASY, BRYANT - H W/COIL	\$237.58	\$209.13	\$301.00	\$259.00
PILOT RELIGHTER	\$136.49	\$108.04	\$197.00	\$156.00
PILOT SAFETY SWITCH, WR (3098-156)	\$160.54	\$124.97	\$226.00	\$174.00
PILOT SAFETY SWITCH, WR (3046-5)	\$156.72	\$128.26	\$220.00	\$178.00
PILOT SAFETY SWITCH, WR (3049-115)	\$164.33	\$128.76	\$231.00	\$179.00
PILOT SAFETY SWITCH, WR (3098-134)	\$152.42	\$123.96	\$220.00	\$179.00
PILOT SAFETY SWITCH, WR (30A46-5)	\$163.36	\$134.90	\$228.00	\$187.00
PILOT SFTY SWITCH (L6AA-5 OR A850-1)	\$128.10	\$113.87	\$185.00	\$164.00
PILOT SWITCH (AG100G543)	\$146.99	\$125.65	\$206.00	\$175.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 12

PRESS SWITCH, BRYANT (306621-752)	\$137.35	\$108.90	\$199.00	\$157.00
PRESS SWITCH, BRYANT (312829-751)	\$136.50	\$108.04	\$198.00	\$156.00
PRESS SWITCH, UNIVERS (42-21582-91)	\$126.18	\$97.72	\$183.00	\$141.00
PRESSURE SWITCH, LENNOX (17F14)	\$125.60	\$97.14	\$182.00	\$141.00
SEASONAL A/C CHECK (INCLUDES FILTER)	\$30.21	\$30.21	\$79.95	\$79.95
SEASONAL HEATING CHECK (INCLUDES FILTER)	\$30.21	\$30.21	\$79.95	\$79.95
SEASONAL A/C CHECK (FOR A/C CUSTOMERS ENROLLED IN SERVICE SENTRY PLAN, INCLUDES FILTER)	\$30.21	\$30.21	\$59.95	\$59.95
SEASONAL HEATING CHECK (FOR HEATER CUSTOMERS ENROLLED IN SERVICE SENTRY PLAN, INCLUDES FILTER)	\$30.21	\$30.21	\$59.95	\$59.95
RE-CNTRL PKG - 24V, STD + Limit	\$300.53	\$300.53	\$398.00	\$398.00
RE-CNTRL PKG - 24V, STD + Relay	\$325.43	\$325.43	\$431.00	\$431.00
RE-CNTRL PKG - 24V, STD + Relay + Limit	\$422.46	\$422.46	\$557.00	\$557.00
RE-CNTRL PKG - 24V, STD + Thermostat	\$274.87	\$274.87	\$387.00	\$387.00
RE-CNTRL PKG - 24V, STD + T-Stat + Limit	\$364.72	\$364.72	\$483.00	\$483.00
RE-CNTRL PKG - 24V, STD + T-Stat + Limit + Relay	\$493.76	\$493.76	\$652.00	\$652.00
RE-CNTRL PKG - 24V, STD + T-Stat + Relay	\$396.81	\$396.81	\$526.00	\$526.00
RE-CNTRL PKG - MILLIV, STD + Limit	\$301.98	\$301.98	\$390.00	\$390.00
RE-CNTRL PKG - MILLIV, STD + Relay	\$334.08	\$334.08	\$434.00	\$434.00
RE-CNTRL PKG - MILLIV, STD + Relay + Limit	\$423.93	\$423.93	\$549.00	\$549.00
RE-CNTRL PKG - MILLIV, STD + Thermostat	\$279.00	\$279.00	\$362.00	\$362.00
RE-CNTRL PKG - MILLIV, STD + T-Stat + Limit	\$375.95	\$375.95	\$488.00	\$488.00
RE-CNTRL PKG - MILLIV, STD + T-Stat + Lmt + Rly	\$497.89	\$497.89	\$647.00	\$647.00
RE-CNTRL PKG - MILLIV, STD + T-Stat + Relay	\$408.05	\$408.05	\$531.00	\$531.00
RELAY, ESSEX (90-343)	\$102.95	\$74.50	\$150.00	\$108.00
RELAY, FAN - BRYANT (HN680-001)	\$236.72	\$208.27	\$295.00	\$254.00
RELAY, SWITCHING - HW (RA832A1066)	\$150.39	\$121.93	\$217.00	\$176.00
RESISTOR, WR (F67-0918)	\$80.91	\$52.45	\$118.00	\$76.00
RESISTOR, WR (F67-0924)	\$82.76	\$54.30	\$121.00	\$79.00
SENSOR, FLAME / RHEEM	\$101.28	\$72.83	\$148.00	\$106.00
SENSOR, FLAME/WHITE RODERS	\$139.94	\$111.49	\$202.00	\$161.00
SUBBASE, THERMOSTAT	\$78.41	\$42.84	\$114.00	\$62.00
SWITCH, ELECTRICAL (SINGLE POLE)	\$65.93	\$44.59	\$96.00	\$65.00
THERMOCOUPLE, VANGUARD (098514-01)	\$84.63	\$56.18	\$123.00	\$82.00
THERMOSTAT, MILLIVOLT	\$116.64	\$88.19	\$169.00	\$128.00
THERMOSTAT, 24V	\$113.98	\$85.53	\$166.00	\$124.00
THERMOSTAT, T-8112C	\$140.63	\$105.06	\$204.00	\$152.00
THERMOSTAT, T-8602D	\$217.89	\$182.32	\$301.00	\$249.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 13

THERMOSTAT, T-8700	\$144.46	\$116.01	\$209.00	\$167.00
TIME START, 3" (F-47TS-3T-1103)	\$128.64	\$100.19	\$186.00	\$145.00
TIME START, 3" (FALTS57C-05T120-A)	\$127.47	\$99.01	\$185.00	\$143.00
TIME START, 7" (F-47TS-7T-110-7)	\$106.36	\$77.90	\$155.00	\$113.00
TIME START, 7" (FALTS57C-65T-120-250)	\$137.85	\$109.40	\$199.00	\$158.00
TIMER, PURGE - WEIL MCCLAIN - 30 SEC	\$105.70	\$77.25	\$154.00	\$112.00
TRANSFORMER, 120/24V	\$101.00	\$72.55	\$147.00	\$105.00
TRANS, BRYANT/CARRIER (HTO1BC115)	\$95.21	\$66.76	\$139.00	\$97.00
TRANS/RELAY COMBO, WR	\$149.76	\$121.30	\$218.00	\$176.00
VALVE, 1/2 "A" (BALL)	\$83.07	\$54.61	\$121.00	\$79.00
VALVE, 1/2 HW - 24V (VR8204A)	\$178.94	\$150.49	\$251.00	\$209.00
VALVE, 1/2 RS - 24V (720-050)	\$178.69	\$150.24	\$251.00	\$209.00
VALVE, 3/4 - DIAPH (VH700-426)	\$234.36	\$205.90	\$297.00	\$256.00
VALVE, 3/4 DIAPH (VH700-426)	\$152.38	\$123.93	\$221.00	\$179.00
VALVE, 3/4 HW - 24V (V800A1008)	\$185.53	\$157.08	\$259.00	\$217.00
VALVE, 3/4 HW - MULTI (VR8345M)	\$171.45	\$143.00	\$240.00	\$198.00
VALVE, 3/4 HW STEP OPENING	\$170.19	\$141.74	\$238.00	\$197.00
VALVE, 3/4 RS - MILLIVOLT (700-506)	\$158.34	\$129.88	\$222.00	\$180.00
VALVE, 3/4 WR - 24V (36C84-421)	\$201.57	\$173.11	\$279.00	\$237.00
VALVE, 3/4 "A" (BALL)	\$83.07	\$54.61	\$121.00	\$79.00
VALVE, DUAL, RS 7200 DER	\$190.63	\$162.18	\$265.00	\$224.00
VALVE, SPARK IGNITION - CARRIER	\$165.91	\$137.46	\$240.00	\$198.00
VALVE, COMB - 24V (VR8200)	\$157.35	\$128.90	\$228.00	\$186.00
VALVE, COMB - 3/4 24V (VH700-424)	\$161.10	\$132.65	\$233.00	\$192.00
VALVE, DIAPH - 24V (NO MAG)	\$198.05	\$169.60	\$275.00	\$233.00
VALVE, HW - SMART VALVE	\$203.67	\$175.22	\$283.00	\$242.00
VALVE, JC VL49A-601R (LENOX)	\$221.35	\$192.90	\$307.00	\$265.00
VALVE, MULTI-USE - 24V	\$185.68	\$157.22	\$261.00	\$219.00
VALVE, RS - SPARK IGN (720-070)	\$178.69	\$150.24	\$251.00	\$209.00
VALVE, WR - 24V (36C03-433)	\$199.65	\$171.20	\$278.00	\$237.00
VALVE, WR - SLOW OPEN (36C94-443)	\$212.98	\$184.53	\$296.00	\$254.00
VALVE, WR 3/4 - 24V (36C74-413)	\$257.28	\$228.83	\$326.00	\$284.00
VALVE, WR (36C53-418)	\$254.39	\$225.93	\$325.00	\$283.00
VALVE, WR (36E36-304)	\$214.31	\$214.31	\$299.00	\$299.00
WIRING HARNESS, BRYANT (05764-701)	\$156.01	\$127.55	\$226.00	\$185.00
ZONE VALVE, TACO POWER UNIT 555-050RP	\$144.18	\$115.73	\$209.00	\$167.00
ZONE VALVE, PW - HONEYWELL	\$156.21	\$127.76	\$226.00	\$184.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 14

BURNER PILOT - COMM'L - RS (A1890-023)	\$101.02	\$72.56	\$146.00	\$105.00
FLEXIBLE CONNECTOR 1/2" X 48"	\$74.56	\$53.22	\$109.00	\$77.00
FLEXIBLE CONNECTOR - 3/4" X 48"	\$74.57	\$53.23	\$109.00	\$77.00
IGNITOR, HSI - CALORIC (0309151 OR 86689)	\$115.31	\$72.63	\$167.00	\$105.00
IGNITOR, HSI - CALORIC (0309159 OR 87699)	\$105.43	\$69.86	\$153.00	\$101.00
IGNITOR, RANGE/OVEN (RGB-2)	\$102.19	\$66.62	\$148.00	\$96.00
IGNITOR, RS (41-201)	\$102.14	\$66.57	\$148.00	\$96.00
IGNITOR, RS (41-202)	\$102.14	\$66.57	\$148.00	\$96.00
IGNITOR, RS (41-203)	\$103.82	\$68.26	\$151.00	\$99.00
IGNITOR, RS (41-204)	\$104.44	\$61.76	\$152.00	\$90.00
IGNITOR, RS (41-205)	\$100.23	\$64.66	\$146.00	\$94.00
IGNITOR, RS (41-206)	\$100.35	\$64.78	\$146.00	\$94.00
IGNITOR, RS (41-207)	\$106.72	\$64.04	\$155.00	\$93.00
IGNITOR, RS (41-208)	\$104.53	\$68.96	\$152.00	\$100.00
IGNITOR, RS (41-209)	\$116.84	\$81.27	\$169.00	\$117.00
IGNITOR, UPPER OVEN - ROPER (300259)	\$102.24	\$66.67	\$149.00	\$96.00
MODULE, MAGIC CHEF (7431P27-60)	\$110.39	\$81.94	\$160.00	\$119.00
MODULE, SPARK - HARPER (6520S0201)	\$106.65	\$78.19	\$155.00	\$114.00
MODULE, SPARK IGN - HARPCO (6513S0001)	\$120.13	\$91.67	\$175.00	\$133.00
MODULE, SPARK IGN - HARPCO (6514S0001)	\$129.11	\$100.66	\$187.00	\$146.00
PILOT BURNER - COMM'L - RS (A1890-022)	\$122.36	\$93.90	\$178.00	\$136.00
PILOT BURNER - RS (A1898-001) No Longer Avail	\$94.11	\$65.66	\$137.00	\$95.00
PILOT BURNER - RS (A1898-021)	\$97.67	\$69.22	\$142.00	\$100.00
PILOT BURNER - RS (A1898-022)	\$90.51	\$62.06	\$132.00	\$90.00
PILOT BURNER - RS (A1898-031)	\$96.94	\$68.48	\$141.00	\$99.00
PILOT GENERATOR - CALORIC (BR90165A)	\$89.74	\$61.28	\$130.00	\$89.00
PILOT GENERATOR - CALORIC (OV92548)	\$89.74	\$61.28	\$130.00	\$89.00
SWITCH, IGNITION - CALORIC (0300521)	\$80.64	\$52.18	\$118.00	\$76.00
SWITCH, IGNITION - GE (WB24X379)	\$101.35	\$72.90	\$147.00	\$106.00
THERMOSTAT, COMM OVEN - RS (VC-4200-002)	\$224.01	\$195.56	\$312.00	\$271.00
THERMOSTAT, COMM OVEN - RS (VC-4200-007)	\$224.01	\$195.56	\$312.00	\$271.00
THERMOSTAT, COMM OVEN - RS (VC-4200-012)	\$283.44	\$254.99	\$362.00	\$321.00
THERMOSTAT, COMM OVEN - RS (VC-4200-503)	\$243.04	\$214.58	\$339.00	\$298.00
THERMOSTAT, COMM OVEN - RS (VC-4200-504)	\$263.54	\$235.09	\$342.00	\$301.00
THERMOSTAT, COMM OVEN - RS (VC-4200-505)	\$260.25	\$231.79	\$339.00	\$297.00
THERMOSTAT, COMM OVEN - RS (VC-4200-510)	\$234.81	\$206.36	\$326.00	\$285.00
THERMOSTAT, COMM OVEN - RS (VC-4350-027)	\$219.04	\$190.58	\$308.00	\$266.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 15

THERMOSTAT, COMM OVEN - RS (VC-4350-029)	\$244.23	\$215.78	\$341.00	\$299.00
THERMOSTAT, OVEN - CALORIC (93109)	\$161.81	\$133.35	\$235.00	\$193.00
THERMOSTAT, OVEN - RS (VC-4500-001)	\$192.89	\$164.44	\$270.00	\$229.00
THERMOSTAT, OVEN - RS (VC-4700-015)	\$216.96	\$188.50	\$302.00	\$260.00
THERMOSTST, COMM OVEN - RS (VC-4200-025)	\$224.82	\$196.36	\$312.00	\$271.00
VALVE, COMM OVEN SFTY - RS (VS-4020-009)	\$224.71	\$196.25	\$314.00	\$273.00
VALVE, COMM OVEN SFTY - RS (VS-4020-010)	\$206.55	\$178.10	\$288.00	\$247.00
VALVE, COMM OVEN SFTY - RS (VS-4020-011)	\$197.28	\$168.82	\$276.00	\$234.00
VALVE, COMM OVEN SFTY - RS (VS-4030-001)	\$188.82	\$160.36	\$265.00	\$223.00
VALVE, COMM OVEN SFTY - RS (VS-4030-005)	\$192.92	\$164.47	\$272.00	\$230.00
VALVE, OVEN SAFETY - CALORIC (73895)	\$158.74	\$130.29	\$221.00	\$180.00
VALVE, OVEN SAFETY - GE (WB19K13)	\$121.30	\$92.85	\$176.00	\$134.00
VALVE, OVEN SAFETY - HARPER (5817H0003)	\$129.16	\$100.71	\$187.00	\$145.00
VALVE, OVEN SAFETY - RS (VS-4060-001)	\$176.42	\$147.96	\$246.00	\$204.00
VALVE, OVEN SAFETY - RS (VS-4060-701)	\$119.48	\$91.02	\$174.00	\$132.00
VALVE, OVEN SAFETY - RS (VS-4060-703)	\$135.64	\$107.18	\$196.00	\$155.00
VALVE, OVEN SAFETY - RS (VS-4060-721)	\$146.25	\$117.79	\$205.00	\$163.00
VALVE, OVEN SAFETY - RS (VS-4060-722)	\$151.84	\$123.39	\$212.00	\$171.00
VALVE, OVEN SAFETY - RS (VS-4060-723)	\$133.24	\$104.79	\$193.00	\$151.00
VALVE, OVEN SAFETY - RS (VS-4060-726)	\$151.84	\$123.39	\$212.00	\$171.00
BURNER, PILOT - RS (1810-100)	\$95.53	\$67.07	\$139.00	\$97.00
IGNITOR, HSI - RHEEM (SP10972101)	\$106.54	\$78.08	\$154.00	\$113.00
MOD-RHEEM(SP745-NL-1-60)/RS(100-00831-07)	\$162.13	\$133.67	\$225.00	\$183.00
MODULE - BRADFORD WHITE (265-39949-00)	\$150.13	\$121.67	\$209.00	\$167.00
MODULE - RHEEM (SP10758) / RS (100-00812-17)	\$132.85	\$104.39	\$192.00	\$150.00
PVC KIT FOR AWH T&P - 3/4" (100DT)	\$62.31	\$33.85	\$91.00	\$49.00
RELAY, BRADFORD WHITE (239-22020-00)	\$93.42	\$64.97	\$135.00	\$94.00
SHANK EXTENDER, A O SMITH (39079)	\$35.53	\$35.53	\$52.00	\$52.00
SOLENOID, BRADFORD WHITE (239-22077-00)	\$123.36	\$94.91	\$178.00	\$136.00
SWITCH, LIMIT - BRAD WHITE (239-3893-00)	\$104.55	\$76.09	\$152.00	\$110.00
SWITCH, PRESS - BRAD WHITE (239-22089-00)	\$116.85	\$88.39	\$169.00	\$128.00
SWITCH, PRESS - BRAD WHITE (B239-39787-00)	\$109.93	\$81.47	\$159.00	\$118.00
SWITCH, PURGE - BRAD WHITE (239-389-96)	\$99.51	\$71.06	\$145.00	\$103.00
THERMOSTAT, BRAD WHITE (265-36293-00)	\$159.99	\$131.54	\$223.00	\$181.00
THERMOSTAT, RS (VW-110-326)	\$142.76	\$114.30	\$207.00	\$165.00
THERMOSTAT, UNITROL (VW110-202)	\$152.42	\$123.96	\$220.00	\$179.00
VALVE, TEMP & PRESS - 3/4" (WATTS 100XL)	\$71.59	\$71.59	\$104.00	\$104.00

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E. Graham, President

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Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 16

WIRE HARNESS - BRAD WHITE (239-22018-02)	\$120.03	\$91.58	\$174.00	\$133.00
BLADES, FAN - 20", 27 D/CW/4 (LAU 60-5587-01)	\$112.98	\$77.42	\$164.00	\$112.00
BLADES, FAN - 22", 27 D/CW/4 (LAU 60-5593-01)	\$116.43	\$80.86	\$169.00	\$117.00
BLADES, FAN - 24", 27 D/CW/4 (LAU 60-5597-01)	\$118.83	\$83.26	\$173.00	\$121.00
BLADES, FAN - 18", 27 D/CW/4 (LAU 60-5581-01)	\$111.63	\$76.06	\$162.00	\$110.00
CAPACITOR, DUAL - RUN/START 30/5/370	\$80.64	\$52.18	\$118.00	\$76.00
CAPACITOR, DUAL - RUN/START 35/5/370	\$80.62	\$52.16	\$118.00	\$76.00
CAPACITOR, DUAL - RUN/START 35/7.5/440	\$84.20	\$55.75	\$123.00	\$81.00
CAPACITOR, DUAL - RUN/START 40/7.5/440	\$90.42	\$61.96	\$131.00	\$90.00
CAPACITOR, RUN - 10 UF, 370 VOLT, OVAL	\$67.39	\$38.94	\$98.00	\$57.00
CAPACITOR, RUN - 5 UF, 370 VOLT, OVAL	\$66.54	\$38.09	\$97.00	\$56.00
CAPACITOR, RUN - 7.5 UF, 370 VOLY, OVAL	\$70.80	\$42.35	\$103.00	\$62.00
CONTACTOR, 2 POLE/40 AMP	\$109.29	\$80.83	\$159.00	\$117.00
DELAY, TIME ADJUSTIBLE ON BREAK	\$79.73	\$51.27	\$116.00	\$75.00
DRYER - 3/8" FLARE (PARKER 163)	\$296.11	\$267.66	\$433.00	\$391.00
FUSE, CARTRIDGE - TIME DELAY / 20 AMP	\$52.02	\$30.68	\$76.00	\$45.00
FUSE, CARTRIDGE - TIME DELAY / 30 AMP	\$52.02	\$30.68	\$76.00	\$45.00
FUSE, CARTRIDGE - TIME DELAY / 40 AMP	\$53.87	\$32.53	\$79.00	\$47.00
FUSE, CARTRIDGE - TIME DELAY / 60 AMP	\$53.87	\$32.53	\$79.00	\$47.00
HUB ADAPTER, 1/2" HEX/RND (LAU 60-7658-04)	\$3.78	\$3.78	\$5.00	\$5.00
HUB ADAPTER, 5/8" HEX/RND (LAU 60-7658-05)	\$4.37	\$4.37	\$6.00	\$6.00
MTR, 1/3 HP, DD PSC, 230 V (AO SMITH FD1036)	\$184.64	\$156.18	\$268.00	\$226.00
MTR, CNDNSR FAN - 1/2 HP (MAGTEK 187)	\$184.35	\$155.90	\$268.00	\$226.00
MTR, CNDNSR FAN - 1/3 HP (MAGTEK 175)	\$179.88	\$151.42	\$261.00	\$220.00
PUMP, CONDENSATE (BECKETT CB15UL)	\$106.95	\$78.50	\$155.00	\$113.00
RELAY (SPP5)	\$74.24	\$45.79	\$108.00	\$67.00
RELAY (WR 90-113)	\$122.29	\$93.84	\$178.00	\$137.00
RELAY, 2PDT / 12 AMP / 24 VOLT (WR 90-340)	\$83.93	\$55.47	\$123.00	\$81.00
RELAY, CONTACT - 2P / 30 A / 24 V (WR 90-244)	\$92.66	\$64.21	\$135.00	\$94.00
SWITCH, PRESS - HIGH C/O (JHNSN P100CA-1C)	\$304.78	\$276.33	\$445.00	\$404.00
SWITCH, PRESS - LOW C/O (JHNSN P100AA-2C)	\$304.78	\$276.33	\$445.00	\$404.00
BURNER, PILOT ANTHONY AP15381	\$152.17	\$123.71	\$221.00	\$179.00
BURNER, PILOT ITT PG9ADZ102	\$161.41	\$132.95	\$234.00	\$192.00
BURNER, PILOT TELEDYNE-LAARS R0027500	\$148.31	\$119.85	\$215.00	\$174.00
BURNER TRAY 175'S TL 10480202	\$170.90	\$149.56	\$240.00	\$209.00
BURNER TRAY 250'S TL 10480203	\$175.58	\$154.24	\$247.00	\$215.00
BURNER TRAY 325'S TL 10480204	\$175.58	\$154.24	\$247.00	\$215.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 17

BURNER TRAY 400'S TL 10480205	\$175.58	\$154.24	\$247.00	\$215.00
HI LIMIT KIT HAYWARD CZ HEATER CZXHL11830	\$149.62	\$121.17	\$217.00	\$175.00
PRESSURE SWITCH TL 2LBS R-132	\$104.63	\$76.17	\$152.00	\$110.00
PRESSURE SWITCH TL 1LBS R-113	\$101.67	\$73.21	\$147.00	\$106.00
THERMOSTAT TL 971/R129	\$196.01	\$167.55	\$274.00	\$233.00
THERMOSTAT TLR-582	\$171.30	\$142.84	\$248.00	\$206.00
THERMOSTAT ANTHONY 15403	\$197.17	\$168.71	\$276.00	\$234.00
THERMOSTAT RAYPAC 6008278	\$203.70	\$175.24	\$285.00	\$243.00
THERMOSTAT RHEEM SP-1179	\$129.35	\$100.89	\$189.00	\$147.00
VALVE, ROBERTSHAW EGV00457/VOO532	\$204.93	\$183.59	\$282.00	\$251.00
VALVE, ROBERTSHAW 700-059	\$253.29	\$231.95	\$314.00	\$283.00
VALVE, ROBERTSHAW 7000ERHC	\$263.93	\$242.59	\$326.00	\$295.00
VALVE, TELEDYNE-LAARS W/AUX TUBING R277	\$208.85	\$187.51	\$264.00	\$233.00

Outside Normal Business Hours:

<u>PART DESCRIPTION</u>	<u>FLOOR RATE</u>		<u>FLAT PRICE</u>	
	<u>A</u>	<u>B</u>	<u>A</u>	<u>B</u>
PILOT BURNER, W/GEN	\$188.97	\$124.95	\$275.00	\$181.00
PILOT CARTRIDGE, 32" (PG-9)	\$184.56	\$120.54	\$269.00	\$175.00
PILOT CARTRIDGE, HW 32" (Q313A-1188)	\$185.66	\$110.97	\$271.00	\$161.00
REGULATOR, APPL - 1/2"	\$153.77	\$100.42	\$224.00	\$146.00
REGULATOR, APPL - 3/4"	\$153.99	\$100.64	\$225.00	\$147.00
THERMOCOUPLE, 24" JOHNSON (88 K15DS)	\$110.28	\$67.60	\$161.00	\$99.00
THERMOCOUPLE, 36" (A1970-036)	\$100.54	\$68.53	\$147.00	\$100.00
THERMOCOUPLE, HW - 36" (Q340A-1090)	\$101.53	\$69.52	\$148.00	\$102.00
THERMOCOUPLE, HW 48" (Q340A-1108)	\$112.98	\$70.30	\$165.00	\$103.00
THERMOCOUPLE, JOHNSON 36" (88D K15DS)	\$100.15	\$68.14	\$146.00	\$100.00
THERMOCOUPLE, PENN BASO (K16BT-36)	\$106.97	\$74.96	\$156.00	\$109.00
THERMOCOUPLE, RS 36" (1980-036)	\$99.37	\$67.36	\$145.00	\$98.00
BEARING, GE	\$162.31	\$130.30	\$237.00	\$191.00
BELT-DRYER, GE (WE1236P)	\$123.32	\$80.64	\$180.00	\$118.00
BELT-DRYER, GE (WE12X42)	\$122.76	\$80.08	\$179.00	\$117.00
BELT-DRYER GE (WE12X49P)	\$123.32	\$80.64	\$180.00	\$118.00
BELT-DRYER, GE (WE12X82P)	\$123.32	\$80.64	\$180.00	\$118.00
BELT-DRYER, WHIRLPOOL (341241)	\$123.66	\$80.98	\$181.00	\$118.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 18

BELT-DRYER, WHIRLPOOL (349533)	\$122.11	\$79.43	\$179.00	\$116.00
BELT-DRYER, WHIRLPOOL(337388)	\$122.19	\$79.51	\$179.00	\$116.00
BELT-DRYER, WHIRLPOOL(337019)	\$122.23	\$79.55	\$179.00	\$116.00
BELT-DRYER, MAYTAG (311012)	\$121.67	\$78.99	\$178.00	\$115.00
BELT-DRYER, MAYTAG (311013)	\$122.04	\$79.36	\$178.00	\$116.00
BELT-DRYER, MAYTAG (312512)	\$122.04	\$79.36	\$178.00	\$116.00
BELT-DRYER, MAYTAG (312544)	\$122.04	\$79.36	\$178.00	\$116.00
BELT-DRYER, MAYTAG (312959)	\$123.00	\$80.32	\$180.00	\$117.00
BRACKET AND INSULATOR - WP 279185	\$109.82	\$77.81	\$160.00	\$113.00
COIL, SOLENOID ASSEMBLY KIT FSP/WP 279137	\$156.59	\$113.91	\$228.00	\$165.00
COIL, SOLENOID ASSEMBLY KIT GE WE4X461	\$171.19	\$128.51	\$249.00	\$186.00
COIL, SOLENOID - PILOT GE WE4X342	\$159.23	\$116.55	\$232.00	\$169.00
COIL, SOLENOID - MAIN GE WE4X338	\$150.73	\$108.05	\$220.00	\$157.00
COIL SOLENOID - WR BOOSTER/HOLDING F91-3890	\$137.53	\$94.85	\$201.00	\$138.00
COIL SOLENOID - WE SECONDARY F91-3889	\$137.53	\$94.85	\$201.00	\$138.00
DOOR CATCH/STRIKER WP279570	\$55.50	\$44.83	\$81.00	\$66.00
DOOR CATCH/STRIKER MAYTAG 306436	\$56.93	\$46.26	\$83.00	\$68.00
DOOR SWITCH WP/KEN 279347	\$112.99	\$70.31	\$165.00	\$103.00
DOOR SWITCH GE WEX197	\$113.78	\$71.10	\$166.00	\$104.00
DOOR SWITCH MAYTAG 302455	\$121.89	\$79.21	\$178.00	\$115.00
DRYER KIT WP 4392065 BELT, IDLER PULLEY, 'SUPPORT ROLLERS (2)	\$175.61	\$143.60	\$256.00	\$209.00
IGNITOR, CARBORUNDUM, FLAT, RAM Z716	\$105.50	\$73.49	\$154.00	\$107.00
IGNITOR, CARBORUNDUM, ROUND RAM Z711	\$105.50	\$73.49	\$154.00	\$107.00
IDLER PULLEY - WP - 691366	\$80.58	\$48.57	\$118.00	\$71.00
IDLER PULLEY - GE - WE12X81	\$80.15	\$48.14	\$117.00	\$70.00
IDLER PULLEY - MAYTAG - 303705	\$81.84	\$49.83	\$119.00	\$73.00
IMPELLER WP - 279711	\$168.08	\$136.07	\$246.00	\$199.00
IMPELLER MAYTAG 303836	\$169.64	\$137.63	\$248.00	\$201.00
MOTOR WP - 695925	\$211.05	\$179.04	\$307.00	\$260.00
MOTOR GE - WE17X32	\$219.97	\$187.96	\$319.00	\$272.00
MOTOR MAYTAG - 302278	\$255.51	\$223.50	\$360.00	\$313.00
MOTOR MAYTAG - 303358	\$255.51	\$223.50	\$360.00	\$313.00
ROLLER ASSY MAYTAG - 303373	\$142.92	\$100.24	\$209.00	\$146.00
ROLLER ASSY WP - 349241(ORDER 2 - SAME PRICE)	\$139.92	\$97.24	\$204.00	\$142.00
SENSOR/FLAME GEMLINE DE355/GEWE4X448	\$109.18	\$77.17	\$159.00	\$112.00
SENSOR/FLAME GEMLINE DE353/WP 338906	\$107.37	\$75.36	\$157.00	\$110.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 19

AQUASTAT - L8148J 1009 24VAC OR MILLIVOLT	\$293.76	\$251.08	\$415.00	\$352.00
AQUASTAT - L8124B-1039	\$317.87	\$275.19	\$423.00	\$360.00
AQUASTAT, TRIPLE L8124E-1016	\$366.56	\$323.88	\$492.00	\$429.00
BELT, V - 1/2 X 34	\$89.19	\$46.51	\$130.00	\$68.00
BELT, V - 1/2 X 35	\$88.79	\$46.11	\$130.00	\$67.00
BELT, V - 1/2 X 36	\$88.19	\$45.51	\$129.00	\$66.00
BELT, V - 1/2 X 37	\$88.92	\$46.24	\$130.00	\$68.00
BELT, V - 1/2 X 38	\$88.41	\$45.73	\$129.00	\$67.00
BELT, V - 1/2 X 39	\$88.72	\$46.04	\$130.00	\$67.00
BELT, V - 1/2 X 40	\$88.89	\$46.21	\$130.00	\$67.00
BELT, V - 1/2 X 41	\$88.54	\$45.86	\$129.00	\$67.00
BELT, V - 1/2 X 42	\$89.80	\$47.12	\$131.00	\$69.00
BELT, V - 1/2 X 43	\$88.90	\$46.22	\$130.00	\$68.00
BELT, V - 1/2 X 46	\$100.28	\$46.93	\$147.00	\$69.00
BRACKET, MOTOR MOUNT	\$112.54	\$80.53	\$164.00	\$117.00
BURNER, PILOT - HW (Q314A)	\$121.66	\$78.98	\$177.00	\$115.00
BURNER, PILOT - HW (Q327A)	\$124.59	\$81.91	\$182.00	\$119.00
BURNER, PILOT JOHNSON J-994FLW (UTICA)	\$146.23	\$103.55	\$212.00	\$150.00
CAMSTAT, 3" (F-214-12A-140-25C-3)	\$161.26	\$118.58	\$234.00	\$172.00
CAMSTAT, 3" (F47-3TD-120-25C)	\$159.26	\$116.58	\$232.00	\$169.00
CAMSTAT, 3" (L59-3B-A)	\$150.78	\$108.10	\$220.00	\$157.00
CAMSTAT, 7" (F-214-13A-140-25C-7)	\$167.41	\$124.73	\$243.00	\$181.00
CAMSTAT, 7" (F47-7TD-120-25C)	\$160.40	\$117.72	\$233.00	\$171.00
CAMSTST, 7" (L59-7B-A)	\$152.12	\$109.44	\$222.00	\$159.00
CAPACITOR, MTR - 10MFD, 370V	\$104.30	\$61.62	\$152.00	\$90.00
CAPACITOR, MTR - 4MFD, 370V	\$91.91	\$59.90	\$134.00	\$87.00
CAPACITOR, MTR - 5MFD, 370V	\$90.15	\$58.14	\$132.00	\$85.00
CIRCUIT BOARD, 47-22445-01 RUDD/UNIVERSAL	\$260.78	\$218.10	\$368.00	\$306.00
CIRCUIT BOARD, B18099-13 GOODMAN	\$245.52	\$202.84	\$348.00	\$286.00
CIRCUIT BOARD, CARRIER CESO11048	\$280.39	\$237.71	\$394.00	\$331.00
CIRCUIT BOARD, CARRIER 350 MAX	\$251.01	\$208.33	\$355.00	\$293.00
CIRCUIT BOARD, CARRIER HH84AA020/CESO110018	\$212.07	\$169.39	\$308.00	\$246.00
CIRCUIT BOARD, CARRIER HH84AA021	\$230.20	\$187.52	\$326.00	\$264.00
CIRCULATOR, TACO/BELL & GOSSETT	\$245.20	\$202.52	\$356.00	\$294.00
CIRCULATOR CARTRIDGE, TACO 007-042RP	\$242.20	\$199.52	\$352.00	\$290.00
CIRCULATOR, B & G 1/12 H.P.	\$346.22	\$303.54	\$455.00	\$392.00
CIRCULATOR, B & G RED FOX	\$250.49	\$207.81	\$364.00	\$301.00

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B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 20

COUPLER 5W340 TACO RM883	\$108.77	\$76.76	\$159.00	\$112.00
COUPLER 1W100 SPIRALINK 10010	\$103.37	\$71.36	\$151.00	\$104.00
COUPLING KIT, CIRC/ MOTOR B&G SPRING 118705	\$100.48	\$68.47	\$147.00	\$100.00
COUPLER ASSY B&G 189110	\$102.88	\$70.87	\$150.00	\$103.00
CUMBUSTION FAN/MTR ASSY	\$231.33	\$209.99	\$326.00	\$295.00
FAN & LIMIT, HW - 1 1/2"	\$193.80	\$151.12	\$274.00	\$211.00
FAN & LIMIT, HW - 4.5 OR 5"	\$167.92	\$125.24	\$244.00	\$181.00
FAN & LIMIT, HW - 11"	\$168.00	\$135.99	\$244.00	\$197.00
FAN & LIMIT, HW - 11"	\$157.05	\$125.04	\$228.00	\$181.00
FAN & LIMIT, HW - 5"	\$174.11	\$142.10	\$252.00	\$205.00
FAN & LIMIT, HW - 8"	\$168.00	\$135.99	\$244.00	\$197.00
FAN & LIMIT, HW - 8"	\$149.75	\$117.74	\$218.00	\$171.00
FAN/LIMIT, 3" (FAL3C-05TD-120-250-3)	\$149.85	\$128.51	\$217.00	\$186.00
FAN/LIMIT, 7" (FAL7C-06TD-120-250-7)	\$152.29	\$130.95	\$221.00	\$190.00
FAN/LIMIT, 7"T/S FALTS57C-05T-120-250	\$147.72	\$126.38	\$214.00	\$183.00
FLAME SENSOR, WR (3049-18)	\$189.01	\$146.33	\$267.00	\$205.00
FLAME SENSOR, WR (3049-5)	\$190.84	\$148.16	\$270.00	\$207.00
FUSIBLE LINK, 109C	\$96.08	\$53.40	\$140.00	\$78.00
FUSIBLE LINK, 121C	\$93.77	\$51.09	\$137.00	\$74.00
FUSIBLE LINK, 125C	\$93.64	\$50.96	\$137.00	\$74.00
FUSIBLE LINK, 130C	\$93.58	\$50.90	\$137.00	\$74.00
FUSIBLE LINK, 141C	\$93.77	\$51.09	\$137.00	\$74.00
FUSIBLE LINK, 149C	\$91.11	\$48.43	\$133.00	\$71.00
FUSIBLE LINK, 216C	\$97.24	\$54.56	\$142.00	\$79.00
FUSIBLE LINK, 216C	\$96.76	\$54.08	\$141.00	\$79.00
FUSIBLE LINK, 228C	\$105.16	\$62.48	\$153.00	\$91.00
FUSIBLE LINK,152C	\$104.72	\$51.37	\$153.00	\$75.00
IGNITOR, HSI, IG101 GEM	\$146.69	\$104.01	\$214.00	\$151.00
IGNITOR HSI / 41-406	\$139.63	\$107.62	\$203.00	\$157.00
IGNITOR, HSI / 41-401	\$159.16	\$105.81	\$232.00	\$154.00
IGNITOR, HSI /41-402	\$148.01	\$105.33	\$216.00	\$153.00
IGNITOR, HSI / 41-403	\$144.61	\$101.93	\$211.00	\$148.00
IGNITOR, HSI / 41-403	\$148.01	\$105.33	\$216.00	\$153.00
IGNITOR, HSI / 41-405	\$150.28	\$107.60	\$219.00	\$156.00
IGNITOR, HSI / 41-407	\$148.01	\$105.33	\$216.00	\$153.00
IGNITOR, HSI / 41-408	\$148.01	\$105.33	\$216.00	\$153.00
IGNITOR, HSI / 41-409	\$137.34	\$105.33	\$200.00	\$153.00

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SOUTH JERSEY GAS COMPANY

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Appendix B - Original Sheet No. 21

IGNITOR, HSI / 41-412	\$142.45	\$99.77	\$208.00	\$145.00
IGNITOR, HSI / ARCOAIRE	\$171.21	\$107.19	\$250.00	\$156.00
IGNITOR, SMART VALVE Q3400A1024 HONEYWELL	\$168.55	\$125.87	\$245.00	\$182.00
INDUCER BOARD (CARRIER/BRYANT)	\$198.65	\$145.30	\$288.00	\$210.00
INDUCER, ASSY WEIL MC LAIN	\$303.95	\$250.60	\$389.00	\$311.00
JUNCTION BLOCK (Y99AN-1)	\$121.10	\$99.76	\$177.00	\$145.00
LIMIT CONTROL, CARRIER (HHI2ZA251)	\$135.34	\$92.66	\$198.00	\$135.00
LIMIT CONTROL, DISK (HH18HA195A)	\$123.45	\$91.44	\$180.00	\$134.00
LIMIT CONTROL, DISK (HH18HA-291)	\$113.19	\$91.85	\$165.00	\$134.00
MODULE, CONTROL COLEMAN	\$241.48	\$209.47	\$341.00	\$294.00
MODULE, CONTROL 50A50-113 WHITE RODERS	\$239.03	\$207.02	\$338.00	\$291.00
MODULE, CONTROL 47-22827-83 UNIVERSAL	\$198.51	\$166.50	\$289.00	\$242.00
MODULE, FENWAL - UNILINE 05-329003-053	\$234.19	\$202.18	\$332.00	\$285.00
MODULE, HOT SURFACE IGN	\$251.15	\$219.14	\$354.00	\$307.00
MODULE, INTERMITTENT PILOT	\$245.08	\$213.07	\$346.00	\$299.00
MOTOR, 1/6 DD 1050 RPM	\$269.98	\$227.30	\$383.00	\$321.00
MOTOR, 1725RPM - 1/3 HP	\$248.98	\$206.30	\$362.00	\$299.00
MOTOR, CIRCULATOR - B&G	\$265.57	\$233.56	\$342.00	\$295.00
MOTOR, INDUCER ASSY CARRIER 310371-752	\$244.48	\$201.80	\$342.00	\$279.00
MOTOR, INDUCER ASSY CARRIER 309868-753	\$312.98	\$270.30	\$410.00	\$347.00
MOTOR, INDUCER 026-32250-000 INTER CITY	\$334.67	\$302.66	\$431.00	\$384.00
MOTOR, INDUCER ASSY WEIL MC LAIN 510-312-317	\$357.38	\$325.37	\$456.00	\$409.00
MOTOR, INDUCER ASSY YORK 326-32067-0000	\$241.53	\$209.52	\$341.00	\$294.00
MOTOR, MULTI-SPEED - 1/3 HP	\$250.84	\$208.16	\$364.00	\$302.00
MOTOR, MULTI-SPEED - 3/4 HP	\$284.32	\$241.64	\$404.00	\$341.00
MOTOR, 1/2 HP DD A.O. SMITH FDL1056	\$302.50	\$259.82	\$412.00	\$349.00
PILOT ASY, BRYANT	\$172.60	\$129.92	\$251.00	\$188.00
PILOT ASY, BRYANT - H	\$388.19	\$345.51	\$487.00	\$425.00
PILOT ASY, BRYANT - H W/COIL	\$287.37	\$244.69	\$374.00	\$311.00
PILOT RELIGHTER	\$179.17	\$136.49	\$260.00	\$197.00
PILOT SAFETY SWITCH, WR (3098-156)	\$210.33	\$156.98	\$299.00	\$221.00
PILOT SAFETY SWITCH, WR (3046-5)	\$202.95	\$160.27	\$287.00	\$225.00
PILOT SAFETY SWITCH, WR (3049-115)	\$214.12	\$160.77	\$304.00	\$226.00
PILOT SAFETY SWITCH, WR (3098-134)	\$198.65	\$155.97	\$288.00	\$226.00
PILOT SAFETY SWITCH, WR (30A46-5)	\$209.59	\$166.91	\$296.00	\$234.00
PILOT SFTY SWITCH (L6AA-5 OR A850-1)	\$167.22	\$145.88	\$242.00	\$211.00
PILOT SWITCH (AG100G543)	\$189.67	\$157.66	\$268.00	\$221.00

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E. Graham, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 22

PRESS SWITCH, BRYANT (306621-752)	\$183.59	\$140.91	\$267.00	\$204.00
PRESS SWITCH, BRYANT (312829-751)	\$182.73	\$140.05	\$265.00	\$203.00
PRESS SWITCH, UNIVERS (42-21582-91)	\$172.41	\$129.73	\$251.00	\$188.00
PRESSURE SWITCH, LENNOX (17F14)	\$171.83	\$129.15	\$250.00	\$188.00
SEASONAL A/C CHECK (INCLUDES FILTER)	\$44.44	\$44.44	\$120.00	\$120.00
SEASONAL HEATING CHECK (INCLUDES FILTER)	\$44.44	\$44.44	\$120.00	\$120.00
RE-CNTRL PKG - 24V, STD + Limit	\$389.44	\$389.44	\$528.00	\$529.00
RE-CNTRL PKG - 24V, STD + Relay	\$421.46	\$421.46	\$572.00	\$572.00
RE-CNTRL PKG - 24V, STD + Relay + Limit	\$543.38	\$543.38	\$734.00	\$734.00
RE-CNTRL PKG - 24V, STD + Thermostat	\$360.23	\$360.23	\$512.00	\$512.00
RE-CNTRL PKG - 24V, STD + T-Stat + Limit	\$471.41	\$471.41	\$639.00	\$639.00
RE-CNTRL PKG - 24V, STD + T-Stat + Limit + Relay	\$636.02	\$636.02	\$860.00	\$860.00
RE-CNTRL PKG - 24V, STD + T-Stat + Relay	\$514.17	\$514.17	\$698.00	\$698.00
RE-CNTRL PKG - MILLIV, STD + Limit	\$376.67	\$376.67	\$500.00	\$500.00
RE-CNTRL PKG - MILLIV, STD + Relay	\$419.44	\$419.44	\$559.00	\$559.00
RE-CNTRL PKG - MILLIV, STD + Relay + Limit	\$530.62	\$530.62	\$705.00	\$705.00
RE-CNTRL PKG - MILLIV, STD + Thermostat	\$350.13	\$350.13	\$466.00	\$466.00
RE-CNTRL PKG - MILLIV, STD + T-Stat + Limit	\$471.98	\$471.98	\$629.00	\$629.00
RE-CNTRL PKG - MILLIV, STD + T-Stat + Lmt + Rly	\$625.92	\$625.92	\$834.00	\$834.00
RE-CNTRL PKG - MILLIV, STD + T-Stat + Relay	\$514.74	\$514.74	\$688.00	\$688.00
RELAY, ESSEX (90-343)	\$145.63	\$102.95	\$212.00	\$150.00
RELAY, FAN - BRYANT (HN680-001)	\$279.40	\$236.72	\$358.00	\$295.00
RELAY, SWITCHING - HW (RA832A1066)	\$196.62	\$153.94	\$285.00	\$223.00
RESISTOR, WR (F67-0918)	\$116.47	\$73.79	\$170.00	\$108.00
RESISTOR, WR (F67-0924)	\$121.88	\$79.20	\$178.00	\$116.00
SENSOR, FLAME / RHEEM	\$143.96	\$101.28	\$210.00	\$148.00
SENSOR, FLAME/WHITE RODERS	\$182.62	\$139.94	\$265.00	\$202.00
SUBBASE, THERMOSTAT	\$110.42	\$57.07	\$161.00	\$83.00
SWITCH, ELECTRICAL (SINGLE POLE)	\$97.94	\$65.93	\$143.00	\$96.00
THERMOCOUPLE, VANGUARD (098514-01)	\$120.20	\$77.52	\$175.00	\$113.00
THERMOSTAT, MILLIVOLT	\$159.32	\$116.64	\$232.00	\$169.00
THERMOSTAT, 24V	\$156.66	\$113.98	\$228.00	\$166.00
THERMOSTAT, T-8112C	\$190.42	\$137.07	\$277.00	\$199.00
THERMOSTAT, T-8602D	\$267.68	\$214.33	\$374.00	\$296.00
THERMOSTAT, T-8700	\$187.14	\$144.46	\$271.00	\$209.00
TIME START, 3" (F-47TS-3T-1103)	\$171.32	\$128.64	\$249.00	\$186.00
TIME START, 3" (FALTS57C-05T120-A)	\$170.15	\$127.47	\$247.00	\$185.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 23

TIME START, 7" (F-47TS-7T-110-7)	\$149.03	\$106.35	\$217.00	\$155.00
TIME START, 7" (FALTS57C-65T-120-250)	\$180.53	\$137.85	\$262.00	\$199.00
TIMER, PURGE - WEIL MCCLAIN - 30 SEC	\$148.38	\$105.70	\$216.00	\$154.00
TRANSFORMER, 120/24V	\$143.68	\$101.00	\$210.00	\$147.00
TRANS, BRYANT/CARRIER (HTO1BC115)	\$137.89	\$95.21	\$201.00	\$139.00
TRANS/RELAY COMBO, WR	\$206.66	\$163.98	\$301.00	\$238.00
VALVE, 1/2 "A" (BALL)	\$118.63	\$75.95	\$173.00	\$111.00
VALVE, 1/2 HW - 24V (VR8204A)	\$232.29	\$189.61	\$329.00	\$267.00
VALVE, 1/2 RS - 24V (720-050)	\$232.04	\$189.36	\$329.00	\$266.00
VALVE, 3/4 - DIAPH (VH700-426)	\$284.15	\$241.47	\$370.00	\$308.00
VALVE, 3/4 DIAPH (VH700-426)	\$202.17	\$159.49	\$293.00	\$231.00
VALVE, 3/4 HW - 24V (V800A1008)	\$235.32	\$192.64	\$331.00	\$269.00
VALVE, 3/4 HW - MULTI (VR8345M)	\$221.24	\$178.56	\$313.00	\$251.00
VALVE, 3/4 HW STEP OPENING	\$219.98	\$177.30	\$311.00	\$249.00
VALVE, 3/4 RS - MILLIVOLT (700-506)	\$204.57	\$161.89	\$289.00	\$227.00
VALVE, 3/4 WR - 24V (36C84-421)	\$247.80	\$205.12	\$346.00	\$284.00
VALVE, 3/4 "A" (BALL)	\$118.63	\$75.95	\$173.00	\$111.00
VALVE, DUAL, RS 7200 DER	\$240.42	\$197.74	\$338.00	\$276.00
VALVE, SPARK IGNITION - CARRIER	\$219.26	\$176.58	\$318.00	\$256.00
VALVE, COMB - 24V (VR8200)	\$210.70	\$168.02	\$306.00	\$244.00
VALVE, COMB - 3/4 24V (VH700-424)	\$214.45	\$171.77	\$311.00	\$249.00
VALVE, DIAPH - 24V (NO MAG)	\$247.84	\$205.16	\$348.00	\$285.00
VALVE, HW - SMART VALVE	\$257.02	\$214.34	\$362.00	\$299.00
VALVE, JC VL49A-601R (LENOX)	\$274.70	\$232.02	\$385.00	\$322.00
VALVE, MULTI-USE - 24V	\$242.58	\$199.90	\$344.00	\$282.00
VALVE, RS - SPARK IGN (720-070)	\$232.04	\$189.36	\$329.00	\$266.00
VALVE, WR - 24V (36C03-433)	\$253.00	\$210.32	\$356.00	\$294.00
VALVE, WR - SLOW OPEN (36C94-443)	\$266.33	\$223.65	\$374.00	\$311.00
VALVE, WR 3/4 - 24V (36C74-413)	\$310.63	\$267.95	\$404.00	\$341.00
VALVE, WR (36C53-418)	\$311.29	\$268.61	\$408.00	\$346.00
VALVE, WR (36E36-304)	\$271.22	\$271.22	\$382.00	\$382.00
WIRING HARNESS, BRYANT (05764-701)	\$212.91	\$170.23	\$310.00	\$247.00
ZONE VALVE, TACO POWER UNIT 555-050RP	\$193.97	\$151.29	\$282.00	\$219.00
ZONE VALVE, PW - HONEYWELL	\$206.00	\$163.32	\$299.00	\$236.00
BURNER PILOT - COMM'L - RS (A1890-023)	\$136.58	\$93.90	\$199.00	\$136.00
FLEXIBLE CONNECTOR 1/2" X 48"	\$106.57	\$74.56	\$155.00	\$109.00
FLEXIBLE CONNECTOR - 3/4" X 48"	\$106.58	\$74.57	\$156.00	\$109.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 24

IGNITOR, HSI - CALORIC (0309151 OR 86689)	\$157.99	\$93.97	\$230.00	\$136.00
IGNITOR, HSI - CALORIC (0309159 OR 87699)	\$144.55	\$91.20	\$210.00	\$132.00
IGNITOR, RANGE/OVEN (RGB-2)	\$141.31	\$87.96	\$206.00	\$128.00
IGNITOR, RS (41-201)	\$141.26	\$87.91	\$206.00	\$128.00
IGNITOR, RS (41-202)	\$141.26	\$87.91	\$206.00	\$128.00
IGNITOR, RS (41-203)	\$142.95	\$89.60	\$208.00	\$130.00
IGNITOR, RS (41-204)	\$147.12	\$83.10	\$214.00	\$121.00
IGNITOR, RS (41-205)	\$139.35	\$86.00	\$203.00	\$125.00
IGNITOR, RS (41-206)	\$139.47	\$86.12	\$203.00	\$125.00
IGNITOR, RS (41-207)	\$149.40	\$85.38	\$218.00	\$124.00
IGNITOR, RS (41-208)	\$143.65	\$90.30	\$209.00	\$131.00
IGNITOR, RS (41-209)	\$155.96	\$102.61	\$226.00	\$148.00
IGNITOR, UPPER OVEN - ROPER (300259)	\$141.36	\$88.01	\$206.00	\$128.00
MODULE, MAGIC CHEF (7431P27-60)	\$153.07	\$110.39	\$223.00	\$160.00
MODULE, SPARK - HARPER (6520S0201)	\$152.88	\$110.20	\$223.00	\$161.00
MODULE, SPARK IGN - HARPCO (6513S0001)	\$166.36	\$123.68	\$242.00	\$180.00
MODULE, SPARK IGN - HARPCO (6514S0001)	\$175.35	\$132.67	\$255.00	\$192.00
PILOT BURNER - COMM'L - RS (A1890-022)	\$168.59	\$125.91	\$245.00	\$183.00
PILOT BURNER - RS (A1898-001) No Longer Avail	\$133.23	\$90.55	\$194.00	\$132.00
PILOT BURNER - RS (A1898-021)	\$136.80	\$94.12	\$199.00	\$137.00
PILOT BURNER - RS (A1898-022)	\$129.63	\$86.95	\$189.00	\$127.00
PILOT BURNER - RS (A1898-031)	\$132.50	\$89.82	\$193.00	\$130.00
PILOT GENERATOR - CALORIC (BR90165A)	\$125.30	\$82.62	\$183.00	\$120.00
PILOT GENERATOR - CALORIC (OV92548)	\$125.30	\$82.62	\$183.00	\$120.00
SWITCH, IGNITION - CALORIC (0300521)	\$116.20	\$73.52	\$170.00	\$107.00
SWITCH, IGNITION - GE (WB24X379)	\$140.47	\$97.79	\$205.00	\$142.00
THERMOSTAT, COMM OVEN - RS (VC-4200-002)	\$284.47	\$241.79	\$401.00	\$338.00
THERMOSTAT, COMM OVEN - RS (VC-4200-007)	\$284.47	\$241.79	\$401.00	\$338.00
THERMOSTAT, COMM OVEN - RS (VC-4200-012)	\$347.46	\$304.78	\$456.00	\$394.00
THERMOSTAT, COMM OVEN - RS (VC-4200-503)	\$310.61	\$267.93	\$438.00	\$376.00
THERMOSTAT, COMM OVEN - RS (VC-4200-504)	\$331.12	\$288.44	\$441.00	\$379.00
THERMOSTAT, COMM OVEN - RS (VC-4200-505)	\$327.82	\$285.14	\$437.00	\$375.00
THERMOSTAT, COMM OVEN - RS (VC-4200-510)	\$295.27	\$252.59	\$415.00	\$353.00
THERMOSTAT, COMM OVEN - RS (VC-4350-027)	\$286.61	\$243.93	\$407.00	\$344.00
THERMOSTAT, COMM OVEN - RS (VC-4350-029)	\$311.81	\$269.13	\$440.00	\$377.00
THERMOSTAT, OVEN - CALORIC (93109)	\$218.71	\$176.03	\$318.00	\$255.00
THERMOSTAT, OVEN - RS (VC-4500-001)	\$249.80	\$207.12	\$354.00	\$291.00

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 25

THERMOSTAT, OVEN - RS (VC-4700-015)	\$273.86	\$231.18	\$385.00	\$323.00
THERMOSTAT, COMM OVEN - RS (VC-4200-025)	\$281.72	\$239.04	\$396.00	\$333.00
VALVE, COMM OVEN SFTY - RS (VS-4020-009)	\$288.73	\$246.05	\$408.00	\$346.00
VALVE, COMM OVEN SFTY - RS (VS-4020-010)	\$263.46	\$220.78	\$372.00	\$309.00
VALVE, COMM OVEN SFTY - RS (VS-4020-011)	\$254.18	\$211.50	\$359.00	\$297.00
VALVE, COMM OVEN SFTY - RS (VS-4030-001)	\$245.72	\$203.04	\$348.00	\$286.00
VALVE, COMM OVEN SFTY - RS (VS-4030-005)	\$253.38	\$210.70	\$360.00	\$298.00
VALVE, OVEN SAFETY - CALORIC (73895)	\$201.42	\$158.74	\$284.00	\$221.00
VALVE, OVEN SAFETY - GE (WB19K13)	\$163.98	\$121.30	\$238.00	\$176.00
VALVE, OVEN SAFETY - HARPER (5817H0003)	\$171.84	\$129.16	\$249.00	\$187.00
VALVE, OVEN SAFETY - RS (VS-4060-001)	\$222.65	\$179.97	\$313.00	\$251.00
VALVE, OVEN SAFETY - RS (VS-4060-701)	\$165.71	\$123.03	\$241.00	\$179.00
VALVE, OVEN SAFETY - RS (VS-4060-703)	\$178.32	\$135.64	\$259.00	\$196.00
VALVE, OVEN SAFETY - RS (VS-4060-721)	\$188.92	\$146.24	\$267.00	\$205.00
VALVE, OVEN SAFETY - RS (VS-4060-722)	\$194.52	\$151.84	\$275.00	\$212.00
VALVE, OVEN SAFETY - RS (VS-4060-723)	\$175.92	\$133.24	\$255.00	\$193.00
VALVE, OVEN SAFETY - RS (VS-4060-726)	\$194.52	\$151.84	\$275.00	\$212.00
BURNER, PILOT - RS (1810-100)	\$134.65	\$91.97	\$196.00	\$134.00
IGNITOR, HSI - RHEEM (SP10972101)	\$142.10	\$99.42	\$206.00	\$144.00
MOD-RHEEM(SP745-NL-1-60)/RS(100-00831-07)	\$201.25	\$158.57	\$282.00	\$219.00
MODULE - BRADFORD WHITE (265-39949-00)	\$189.25	\$146.57	\$266.00	\$204.00
MODULE - RHEEM (SP10758) / RS (100-00812-17)	\$171.97	\$129.29	\$249.00	\$187.00
PVC KIT FOR AWH T&P - 3/4" (100DT)	\$90.76	\$48.08	\$133.00	\$70.00
RELAY, BRADFORD WHITE (239-22020-00)	\$125.43	\$82.75	\$182.00	\$120.00
SHANK EXTENDER, A O SMITH (39079)	\$49.76	\$49.76	\$73.00	\$73.00
SOLENOID, BRADFORD WHITE (239-22077-00)	\$155.37	\$112.69	\$225.00	\$162.00
SWITCH, LIMIT - BRAD WHITE (239-3893-00)	\$143.67	\$100.99	\$209.00	\$147.00
SWITCH, PRESS - BRAD WHITE (239-22089-00)	\$155.97	\$113.29	\$226.00	\$164.00
SWITCH, PRESS - BRAD WHITE (B239-39787-00)	\$149.05	\$106.37	\$217.00	\$154.00
SWITCH, PURGE - BRAD WHITE (239-389-96)	\$138.63	\$95.95	\$202.00	\$139.00
THERMOSTAT, BRAD WHITE (265-36293-00)	\$202.67	\$159.99	\$285.00	\$223.00
THERMOSTAT, RS (VW-110-326)	\$188.99	\$146.31	\$274.00	\$212.00
THERMOSTAT, UNITROL (VW110-202)	\$198.65	\$155.97	\$288.00	\$226.00
VALVE, TEMP & PRESS - 3/4" (WATTS 100XL)	\$103.60	\$103.60	\$151.00	\$151.00
WIRE HARNESS - BRAD WHITE (239-22018-02)	\$166.27	\$123.59	\$242.00	\$180.00
BLADES, FAN - 20", 27 D/CW/4 (LAU 60-5587-01)	\$159.22	\$105.87	\$232.00	\$154.00
BLADES, FAN - 22", 27 D/CW/4 (LAU 60-5593-01)	\$162.66	\$109.31	\$237.00	\$159.00

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B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 26

BLADES, FAN - 24", 27 D/CW/4 (LAU 60-5597-01)	\$165.06	\$111.71	\$240.00	\$162.00
BLADES, FAN - 18", 27 D/CW/4 (LAU 60-5581-01)	\$157.86	\$104.51	\$230.00	\$152.00
CAPACITOR, DUAL - RUN/START 30/5/370	\$116.20	\$73.52	\$170.00	\$107.00
CAPACITOR, DUAL - RUN/START 35/5/370	\$116.18	\$73.50	\$170.00	\$107.00
CAPACITOR, DUAL - RUN/START 35/7.5/440	\$119.77	\$77.09	\$175.00	\$112.00
CAPACITOR, DUAL - RUN/START 40/7.5/440	\$125.98	\$83.30	\$184.00	\$121.00
CAPACITOR, RUN - 10 UF, 370 VOLT, OVAL	\$99.40	\$56.72	\$145.00	\$83.00
CAPACITOR, RUN - 5 UF, 370 VOLT, OVAL	\$98.55	\$55.87	\$144.00	\$82.00
CAPACITOR, RUN - 7.5 UF, 370 VOLY, OVAL	\$102.81	\$60.13	\$150.00	\$88.00
CONTACTOR, 2 POLE/40 AMP	\$151.96	\$109.28	\$221.00	\$159.00
DELAY, TIME ADJUSTIBLE ON BREAK	\$115.29	\$72.61	\$168.00	\$106.00
DRYER - 3/8" FLARE (PARKER 163)	\$438.37	\$395.69	\$641.00	\$579.00
FUSE, CARTRIDGE - TIME DELAY / 20 AMP	\$76.92	\$44.91	\$112.00	\$66.00
FUSE, CARTRIDGE - TIME DELAY / 30 AMP	\$76.92	\$44.91	\$112.00	\$66.00
FUSE, CARTRIDGE - TIME DELAY / 40 AMP	\$78.77	\$46.76	\$115.00	\$68.00
FUSE, CARTRIDGE - TIME DELAY / 60 AMP	\$78.77	\$46.76	\$115.00	\$68.00
HUB ADAPTER, 1/2" HEX/RND (LAU 60-7658-04)	\$3.78	\$3.78	\$5.00	\$5.00
HUB ADAPTER, 5/8" HEX/RND (LAU 60-7658-05)	\$4.37	\$4.37	\$6.00	\$6.00
MTR, 1/3 HP, DD PSC, 230 V (AO SMITH FD1036)	\$252.21	\$209.53	\$367.00	\$304.00
MTR, CNDNSR FAN - 1/2 HP (MAGTEK 187)	\$251.93	\$209.25	\$366.00	\$304.00
MTR, CNDNSR FAN - 1/3 HP (MAGTEK 175)	\$247.45	\$204.77	\$360.00	\$298.00
PUMP, CONDENSATE (BECKETT CB15UL)	\$142.52	\$99.84	\$207.00	\$144.00
RELAY (SPP5)	\$106.25	\$63.57	\$155.00	\$93.00
RELAY (WR 90-113)	\$175.64	\$132.96	\$256.00	\$194.00
RELAY, 2PDT / 12 AMP / 24 VOLT (WR 90-340)	\$123.05	\$80.37	\$180.00	\$117.00
RELAY, CONTACT - 2P / 30 A / 24 V (WR 90-244)	\$135.34	\$92.66	\$198.00	\$135.00
SWITCH, PRESS - HIGH C/O (JHNSN P100CA-1C)	\$447.04	\$404.36	\$653.00	\$591.00
SWITCH, PRESS - LOW C/O (JHNSN P100AA-2C)	\$447.04	\$404.36	\$653.00	\$591.00
BURNER, PILOT ANTHONY AP15381	\$209.07	\$166.39	\$304.00	\$242.00
BURNER, PILOT ITT PG9ADZ102	\$218.31	\$175.63	\$317.00	\$255.00
BURNER, PILOT TELEDYNE-LAARS R0027500	\$205.21	\$162.53	\$299.00	\$236.00
BURNER TRAY 175'S TL 10480202	\$224.25	\$192.24	\$319.00	\$272.00
BURNER TRAY 250'S TL 10480203	\$228.93	\$196.92	\$325.00	\$278.00
BURNER TRAY 325'S TL 10480204	\$228.93	\$196.92	\$325.00	\$278.00
BURNER TRAY 400'S TL 10480205	\$228.93	\$196.92	\$325.00	\$278.00
HI LIMIT KIT HAYWARD CZ HEATER CZXHL11830	\$199.41	\$156.73	\$290.00	\$227.00
PRESSURE SWITCH TL 2LBS R-132	\$140.19	\$97.51	\$204.00	\$141.00

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B.P.U.N.J. No. 9 - GAS

Appendix B - Original Sheet No. 27

PRESSURE SWITCH TL 1LBS R-113	\$137.23	\$94.55	\$199.00	\$137.00
THERMOSTAT TL 971/R129	\$252.91	\$210.23	\$358.00	\$295.00
THERMOSTAT TLR-582	\$228.20	\$185.52	\$331.00	\$269.00
THERMOSTAT ANTHONY 15403	\$254.07	\$211.39	\$359.00	\$297.00
THERMOSTAT RAYPAC 6008278	\$260.60	\$217.92	\$368.00	\$305.00
THERMOSTAT RHEEM SP-1179	\$186.25	\$143.57	\$272.00	\$209.00
VALVE, ROBERTSHAW EGV00457/VOO532	\$247.61	\$215.60	\$344.00	\$298.00
VALVE, ROBERTSHAW 700-059	\$295.97	\$263.96	\$376.00	\$330.00
VALVE, ROBERTSHAW 7000ERHC	\$306.61	\$274.60	\$388.00	\$341.00
VALVE, TELEDYNE-LAARS W/AUX TUBING R277	\$251.53	\$219.52	\$326.00	\$280.00

SALES AND USE TAX:

All charges pursuant to this Rate Schedule ARS-FR shall be adjusted to reflect appropriate New Jersey Sales and Use Taxes.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided, however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a nonbusiness day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal.

LIMITS OF COVERAGE:

All equipment must be manufactured, installed and maintained in accordance with the National Fuel Gas Code; certified by the American Gas Association, the Underwriters Laboratories or similar natural gas industry trade organizations; installed in accordance with local, state, and federal law; and satisfy both the manufacturer's and the Company's requirements for safe and proper installation. Our response time shall be determined by scheduling priorities that consider public safety, health and welfare, existing work loads, nature of service, and prevailing weather conditions.

SPECIAL PROVISIONS:

- (a) All charges set forth within the Floor Rate Section of this Rate Schedule ARS-FR include the cost of the part, as well as labor for the repair. The charges also include diagnostic services. If the customer should elect only diagnostic services, and decline to have the repair made, the customer shall be charged the minimum charge, or actual time, whichever is greater, pursuant to Rate Schedule ARS.
- (b) The Company may not charge less than the Floor Rates set forth in the Floor Rates section of this Rate Schedule ARS-FR, plus New Jersey Sales and Use Taxes.

Issued August 29, 2003
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after July 1, 2004

Filed pursuant to Order in Docket No. GR03080683 of the Board of
Public Utilities, State of New Jersey, dated _____

